

# CITY OF MIAMI BEACH

CITY HALL 1700 CONVENTION CENTER DRIVE MIAMI BEACH, FLORIDA 33139  
<http://ci.miamibeachfl.gov>



## MEMORANDUM

**TO:** Mayor David Dermer and  
Members of the City Commission

**DATE:** December 14, 2004

**FROM:** Jorge M. Gonzalez  
City Manager

**SUBJECT:** MEETING OF THE FINANCE AND CITYWIDE PROJECTS COMMISSION  
COMMITTEE

This shall serve as written notice that a meeting of the Finance and Citywide Projects Commission Committee has been scheduled for December 14, 2004 at 2:00 P.M. in the City Manager's Large Conference Room.

The agenda is as follows:

### NEW BUSINESS

1. List of projects and establishment of additional criteria for the renewal and replacement fund.  
Kathie G. Brooks, Budget and Performance Improvement Director
2. Discussion regarding the Miami City Ballet ground lease and request to consent to leasehold mortgage.  
Christina M. Cuervo, Assistant City Manager
3. Discussion regarding change order to Tarafa Construction, Inc., for additional general conditions and time extension costs on the 42<sup>nd</sup> Street Parking Garage, and approving final closeout of the project after completion of the final certificate of occupancy for the building.  
Tim Hemstreet, Capital Improvement Projects Director

### OLD BUSINESS:

4. Discussion regarding the proposed A.I. Boymelgreen Project at Fifth Street and Alton Road.  
Christina M. Cuervo, Assistant City Manager
5. Discussion regarding the Walker Parking/Alternative Analysis & Feasibility Analysis.  
Christina M. Cuervo, Assistant City Manager  
Saul Frances, Parking Director
6. Discussion regarding the Parking System Capital Plan and Funding Alternatives.  
Christina M. Cuervo, Assistant City Manager  
Saul Frances, Parking Director

**Finance & Citywide Projects Committee Agenda  
December 14, 2004**

- 7. Discussion regarding the development and use of the parking lot adjacent to the Shane Watersports Center as it relates to that certain Second Amended and Related/Consolidated Lease Agreement with Miami Beach Watersports Center, Inc. as lessee, for the City-owned property located at 6500 Indian Creek Drive, Miami Beach, Florida.**

**Christina M. Cuervo, Assistant City Manager**

**Joe Damien, Asset Manager**

**Saul Frances, Parking Director**

JMG/PDW/mim

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c: Mayor and Members of the City Commission  
Murray Dubbin, City Attorney  
Christina M. Cuervo, Assistant City Manager  
Robert Middaugh, Assistant City Manager  
Donald Papy, Chief Deputy City Attorney  
Donald De Lucca, Police Chief  
Floyd Jordan, Fire Chief  
Jean Olin, Deputy City Attorney  
Fred Beckmann, Public Works Director  
Mayra Diaz Buttacavoli, Human Resources and Risk Management Director  
Raul Aguila, First Assistant City Attorney  
Phil Azan, Building Director  
Kathie Brooks, Budget and Performance Improvement Director  
Kelli Cohen, First Assistant City Attorney  
Saul Frances, Parking Director  
Jorge Gomez, Planning Director  
Vivian Guzman, Neighborhood Services Director  
Rhonda M. Hasan, First Assistant City Attorney  
Gary Held, First Assistant City Attorney  
Tim Hemstreet, CIP Director  
Robert Parcher, City Clerk  
Sheri Sack, First Assistant City Attorney  
Kevin Smith, Parks and Recreation Director  
Debbie Turner, First Assistant City Attorney  
Judith Weinstein, First Assistant City Attorney  
Gladys Acosta, Information Technology Division Director  
Georgina P. Echert, Assistant Finance Director  
Max Sklar, Cultural Affairs & Tourism Development Director  
Michael Alvarez, Assistant Director of Public Works  
Diane Camber, Bass Museum Director  
Jose Cruz, Budget Officer  
Robert T. Halfhill, Assistant Director of Public Works  
Ramiro Inguanzo, Chief of Staff  
Gus Lopez, Procurement Division Director  
Nannette Rodriguez, Public Information Coordinator  
Ronnie Singer, Community Information Manager  
James Sutter, Internal Auditor  
Linda Gonzalez, Labor Relations Division Director  
Kevin Crowder, Economic Development Division Director  
Judy Hoanshelt, Grants Manager  
Amelia Johnson, Transportation Coordinator

**NEW BUSINESS**

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**CITY OF MIAMI BEACH**  
**Office of the City Manager**  
**Interoffice Memorandum**



**To:** Finance and Citywide Projects Committee

**Date:** December 14, 2004

**From:** Jorge M. Gonzalez  
City Manager

**Subject: LIST OF PROJECTS AND ESTABLISHMENT OF ADDITIONAL CRITERIA FOR THE  
RENEWAL AND REPLACEMENT FUND**

At the second Budget Hearing on September 28, 2004, the Commission adopted Resolution No. 2004-25697, establishing a Capital Renewal and Replacement fund for general fund assets and procedures for appropriation and use of funds. (See attached). Through the Resolution, the Commission approved the appropriation of \$80,000 for the replacement of floors at Fire Station No.'s 1 and 3. The balance of funds in the amount of \$1,267,070 was placed in reserves and the Commission directed the Administration to provide the Finance and Citywide Projects Committee with additional criteria for project specific appropriations from the Capital Renewal and Replacement Fund. The following are additional criteria recommended for appropriation of project specific expenditures from the Capital Renewal and Replacement Fund.

A project shall be eligible for appropriations from the Capital Renewal and Replacement Reserve provided that the project provides for renewal of a facility-related asset or replacement of an asset such that it:

- A. Extends the useful life of such asset by a defined range of years; OR
- B. Prevents untimely deterioration of such asset; OR
- C. Provides for unusual or extraordinary maintenance or repairs essential to the continued life of the asset: OR
- D. Wholly replaces a component part of an asset that approximates at least 10% of the value of the asset; OR
- E. Replaces a fully depreciated or deteriorated asset in its entirety; OR
- F. Provides for replacement inventory for large capital components that would have a long lead time or extraordinarily high cost; OR
- G. Significantly reduces future maintenance costs over the remaining life of the asset.

In FY 2004/05 the determination regarding the following will be made by the Public Works Director or other designee of the City Manager:

- o Range of years asset life extended
- o Requirement for prevention of untimely deterioration

- Requirement for unusual or extraordinary maintenance
- Identification of fully depreciated or deteriorated assets
- Reduction in future maintenance costs over the life of the asset

In subsequent years, following the completion of the evaluation and inspection of City assets/facilities by the City's Consulting Engineer, the projects and required for the renewal and replacement of City facilities will be included in an annual update by either the Public Works Director or other designee of the City Manager, or by the City's Consulting Engineer.

PROJECT	COST	GOB Funding	FY 2004/05 REVISED	Comments
Old City Hall	\$2,500,000	\$2,000,000	\$500,000	
6th Street Community Center	\$1,600,000	\$500,000		
Flagler Monument and Island Stabilization	TBD	\$1,000,000		
Scott Rakow - ADA, Ceiling Tile, Electrical, A/C	\$234,800	\$1,000,000		
Replace Floors at Fire Stations 1 and 3	\$80,000		\$120,000	Criteria C - Revised cost estimate
Police Station Emergency Chiller Replacement	\$120,000		\$120,000	Criteria D
Police Gun Range Air Handling Unit	\$30,000		\$30,000	Criteria D
Replacing two A/C Units at Fire Station 1	\$40,000		\$40,000	Criteria D
Ceiling Tile Replacements - Police Station, City Hall	\$36,000		\$36,000	Criteria G
Public Works Operations Yard A/C Replacement	\$80,000		\$80,000	Criteria D
Replacing Deteriorating Benches on the Boardwalk	\$15,000			Deleted - Not Facility Related
Public Works Fire Alarm System Replacement	\$10,500		\$10,500	Criteria E
Police Station Water Sealing	\$63,000		\$63,000	Criteria B
City Hall Water Sealing	\$63,000		\$63,000	Criteria B
Replace Main Breakers at City Hall and Police Station	\$24,500			Deleted
Storm Shutters at 777 17th Street Building	\$49,500			Deleted - Not Renewal or Repl.
Fire Station 1 Domestic Water Line Replacement	\$45,000		\$45,000	Criteria D
Carpet and Floor Tile Replacement at Historic City Hall	\$18,700			Included Above
Replace Three Air Handlers at the Police Station	\$99,000		\$99,000	Criteria D
Replace Fresh Air Duct System with Filtration at City Hall	\$77,000			
Replace Three Air Handlers at Historic City Hall	\$49,500			
Transformer Replacement at City Hall	\$30,000			
Awning Replacement at Historic City Hall	\$15,000			
Carpet Replacement - Commission Chambers (water damage)	\$20,000			
Replacement of Two Chilled Water Pumps at City Hall	\$32,000			
City Hall Water Riser Replacement	\$16,000			
Historic City Hall Water Closet & Flush Valve Replacement	\$25,000			
Install Backflow Preventor and Fire Sprinkler at 21st St Rec. Ctr.	\$24,200			
Backflow Preventor Installation for Fire Sprinkler System at Police Stn.	\$16,500			
Police Sub Station A/C Replacement	\$15,000			
Garden Center A/C Replacement	\$45,000			
Retrofit Ladies Locker Room Showers at the Police Station	\$25,000			
Replace Generator Motor Control Center at Police Station	\$58,000			
Replace Two Transformers and Fire Pump Controller at City Hall	\$20,000			
Replace Transfer Switch and Fluorescent Fixtures at Historic City Hall	\$17,000			
Replace Fluorescent Fixture at 777 17th Street Building	\$10,500			
Replace A/C at 777 17th Street Building	\$462,000			
53 Street Bathroom Renovations	TBD			
Contingency for Unforeseen Needs			\$ 140,570	
TOTAL	\$6,066,700	\$4,500,000	\$1,347,070	
PLUS TBD FOR 53rd St BATHROOMS				
FLAGLER MONUMENT				

JMG/KG/Alcd  
Attachment

**A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ESTABLISHING A CAPITAL RENEWAL AND REPLACEMENT FUND TO PROVIDE A DEDICATED SOURCE OF FUNDING FOR CITY CAPITAL RENEWAL AND REPLACEMENT PROJECTS THAT EXTEND THE USEFUL LIFE OF GENERAL FUND ASSETS; ESTABLISHING A PROCEDURE FOR ANNUAL APPROPRIATION OF FUNDS; ESTABLISHING A PROCEDURE FOR THEIR USE; AND ADOPTING THE FISCAL YEAR (FY) 2004/05 BUDGET FOR THE FUND, IN THE AMOUNT OF \$1,347,070.**

**WHEREAS**, the City has a significant infrastructure investment that includes 322 buildings, structures and facilities; 472 acres of recreational open space; over 25 miles of inland canals, oceanfront beaches, City-owned seawalls; and 140 miles of paved streets; with associated swales landscaped medians, street and landscape lights, and curbs and gutters; and

**WHEREAS**, despite \$27.4 million budgeted in the Fiscal Year (FY) 2004/05 General Fund Operating Budget for general ongoing maintenance, as well as \$4.25 million in potential funding from the proposed Miami-Dade County General Obligation Bond issue for Old City Hall; the Sixth Street Community Center; Flagler Monument; and Scott Rakow Youth Center improvements (carpets, ADA, pressure cleaning, ceiling tile, electrical, A/C), there remains \$1,816,000 in immediate renewal and replacement needs without funding; and

**WHEREAS**, the City is procuring a consultant to develop a proactive schedule of renewal and replacement needs for the City's existing infrastructure that will require additional funding in future years; and

**WHEREAS**, as a result of the City's ongoing \$400 million Capital Improvement Program, there will be a significant additional increase in renewal and replacement needs; and

**WHEREAS**, annual capital renewal and replacement needs compete for General Fund resources with other needs, such as public safety, with the result that capital renewal and replacement needs may be deferred; and

**WHEREAS**, bond rating agencies, (Fitch, Moody's, and Standard & Poor's) view renewal and replacement policies as a significant criteria in assessing a government's credit worthiness; and

**WHEREAS**, the Mayor and City Commission recognize the need to establish a dedicated source of funding to ensure annual renewal and replacement of the City's General Fund capital assets on an ongoing basis; and

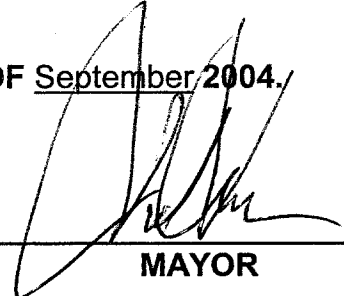
**WHEREAS**, on September 9 2004, the Mayor and City Commission tentatively adopted the proposed millage rate of 7.425 mills, which included 0.126 mills dedicated for capital renewal and replacement.

**NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA**, as follows:

1. A permanent Capital Renewal and Replacement Fund is hereby established to be used for capital projects that extend the useful life of the City's General Fund assets.
2. The Capital Renewal and Replacement Fund shall be funded annually, commencing in Fiscal Year 2004/05, through a transfer from the General Fund.
3. The initial annual transfer from the General Fund to the Capital Renewal and Replacement Fund, for Fiscal Year 2004/05, shall be the amount of \$1,347,070.
4. In subsequent fiscal years, the Fund will be increased by, at a minimum, the amount which would represent the value of the debt service millage reduction resulting from growth in the assessment value of the tax base. It is expected that this increase should not result in a total combined millage rate greater than in the preceding fiscal year.
5. Appropriation of project specific expenditures from the Capital Renewal and Replacement Fund shall be included in the City Manager's annual proposed budget, and shall be adopted by the Mayor and City Commission annually during the City's second public hearing on the budget.
6. Interest earnings that accrue in the Capital Renewal and Replacement Fund shall be included in the appropriation for the Fund in the following fiscal year.
7. Changes among project specific appropriations may be authorized by the City Manager to the extent that no new projects be added and the total annual allocation is not exceeded.
8. Changes to project specific appropriations may be authorized by the City Manager to the extent needed to replace \$4.25 million in potential funding from the proposed Miami-Dade County General Obligation Bond issue for Old City Hall; Sixth Street Community Center; Flagler Monument; and Scott Rakow Youth Center improvements.
9. During a fiscal year, changes to the total allocation and changes to the list of projects to be funded from the Capital Renewal and Replacement Fund shall require prior approval and authorization by a majority of the City Commission. Excess project specific appropriations not required will be available for re-appropriation the following year.



10. Project specific appropriations that are not expended in a given fiscal year shall remain in the Capital Renewal and Replacement Fund for the life of the project.
11. The City of Miami Beach hereby adopts the FY 2004/05 Capital Renewal and Replacement Fund Budget, in the amount of \$1,347,070, as provided in Attachment A.

PASSED AND ADOPTED THIS 28th DAY OF September 2004.

  
\_\_\_\_\_  
MAYOR

Attest:  
  
\_\_\_\_\_  
CITY CLERK

APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION

 9-22-04  
\_\_\_\_\_  
City Attorney  Date

## ATTACHMENT A

REVENUES	
Transfer from General Fund	\$1,347,070
APPROPRIATIONS	
Replace Floors at Fire Stations 1 and 3	\$80,000
Reserves	\$1,267,070
TOTAL	\$1,347,070

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# CITY OF MIAMI BEACH

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www.miamibeachfl.gov



## COMMISSION MEMORANDUM

To: Mayor David Derner and  
Members of the City Commission

Date: December 8, 2004

From: Jorge M. Gonzalez  
City Manager

Subject: **REFERRAL TO FINANCE AND CITYWIDE PROJECTS COMMITTEE  
REGARDING THE MIAMI CITY BALLET GROUND LEASE AND REQUEST  
TO CONSENT TO LEASEHOLD MORTGAGE**

### ADMINISTRATION RECOMMENDATION

Refer the item.

### ANALYSIS

The Miami City Ballet (MCB) has approached the City regarding its current Lease Agreement and existing provisions regarding Leasehold Mortgages and the City's required consent in connection therewith.

Pursuant to Article 13, Section 13.02 of the Ground Lease Agreement, dated April 13, 1994, between Miami City Ballet and the City of Miami Beach, the Ballet is seeking the Commission's authorization to secure a mortgage on its leasehold interest in its facility, located at 2200 Liberty Avenue. The Ballet's purpose in securing a mortgage is to consolidate and restructure its accumulated debt, pay down its aged payables, and create a cash reserve fund. A mortgage, payable to a single lender, would allow the Ballet to amortize its debt over a more manageable period of twenty years. Given the Ballet's current financial condition, time is of the essence in obtaining authorization to secure such a mortgage.

By way of background, the City entered into a Ground Lease Agreement with the MCB, for the Ballet's proposed headquarters currently located in Collins Park Cultural Campus in Miami Beach.

To date, there have been three (3) amendments to the Ground Lease: a First Amendment dated June 18, 1997; Second Amendment dated October 21, 1997; and Third Amendment, date January 6, 1999.

In 1999 the MCB negotiated a Leasehold Mortgage and Security Agreement with Suntrust Bank/Miami, in an amount up to \$4.5 million with a term of five (5) years. The City, pursuant to Resolution 99-23188, authorized the City Manager to execute the Estoppel Letter, Landlord's waiver of Lien and a Memorandum of Lease consenting to the Leasehold Mortgage and its conformance with the Lease terms. This loan has since been paid off.

Agenda Item C4D  
Date 12-8-04



The MCB has approached the City requesting the City's consent to a new Leasehold Mortgage, the terms which have yet to be finalized.

As such, it is recommended that this request be discussed by the Finance Committee.

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JMG/CMC/rar

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**CITY OF MIAMI BEACH  
COMMISSION ITEM SUMMARY**



**Condensed Title:**

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROPRIATING FUNDS, IN THE AMOUNT OF \$160,000, FROM PARKING REVENUE BOND FUNDS, FOR A CHANGE ORDER TO TARAFI CONSTRUCTION, INC., FOR ADDITIONAL GENERAL CONDITIONS AND TIME EXTENSION COSTS ON THE 42<sup>ND</sup> STREET PARKING GARAGE.

**Issue:**

Should the City Commission adopt the resolution?

**Item Summary/Recommendation:**

On April 8, 1998 the City Commission awarded a construction contract with Tarafi Construction Inc. (TCI), in the amount of \$3,248,452, pursuant to Invitation to Bid No. 7-97/98 entitled "42nd Street Municipal Garage Improvements". In June of 2000, the contractor informed the City that the garage was ready for final inspection. City inspectors observed additional items not consistent with their interpretation of the various codes and the City directed the contractor to comply. Some of these items were not shown on the contract documents and were not noted at the time of plan review and approval. Nevertheless, the Building Official issued a Temporary Certificate of Completion (TCC) on July 21, 2000. Request for Change Order (RCO) No. 54 by TCI, requesting compensation due to excusable, compensable delays was presented on April 2000. This RCO was initially rejected by RAMP after a long period of review due to insufficient substantiating information. It was also rejected by the CIP Office, for similar reasons on October 9, 2002, after RAMP issued their recommendation. Subsequent to the rejection, TCI submitted a response letter outlining their position on the matter. They also submitted a substantial number of documents and a timetable in support of their request. This timetable and the submitted documents, as well as our own files and records form the basis of the CIP recommendation presented herein. There were numerous delays on the project progress, especially during the period of late 1998 through the summer of 1999. At this time, the City obtained beneficial use of the Parking Garage. Further analysis shows, that while the delays did occur, most of them were as a result of a lack of teamwork by all parties including TCI but also as a result of poor contract documents, poor administration by RAMP during construction, and poor coordination by the Special Inspector retained by RAMP to oversee the structural repairs of the project. TCI did not close out the project in a timely fashion and failed to complete the necessary documents for the Final Certificate of Completion (CC) and needed assistance from City personnel to complete these tasks. The cost of the City personnel involved has been reduced as part of this recommendation. This time extension requested by TCI on RCO No. 54 is not unreasonable and is recommended for approval. The total amount requested in RCO No. 54 is \$177,211. Staff recommends a final amount of \$160,000 to account for the involvement of Property Management, the Building Department, and the CIP Office in the closeout and Final CC process.

**Advisory Board Recommendation:**

N/A

**Financial Information:**

Source of Funds:	Amount	Account	Approved
Finance Dept.	1 \$160,000	Parking Fund 481	
	Total \$160,000		

**City Clerk's Office Legislative Tracking:**

**Sign-Offs:**

Department Director	Assistant City Manager	City Manager
TH	RCM  CMC	

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AGENDA ITEM C7A  
DATE 12-8-04

# CITY OF MIAMI BEACH

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www.miamibeachfl.gov



## COMMISSION MEMORANDUM

**To:** Mayor David Dermer and  
Members of the City Commission

**Date:** December 8, 2004

**From:** Jorge M. Gonzalez  
City Manager

**Subject:** **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROPRIATING FUNDS, IN THE AMOUNT OF \$160,000, FROM PARKING REVENUE BOND FUNDS, FOR A CHANGE ORDER TO TARAFI CONSTRUCTION, INC., FOR ADDITIONAL GENERAL CONDITIONS AND TIME EXTENSION COSTS ON THE 42<sup>ND</sup> STREET PARKING GARAGE, AND APPROVING FINAL CLOSEOUT OF THE PROJECT AFTER COMPLETION OF THE FINAL CERTIFICATE OF OCCUPANCY FOR THE BUILDING.**

### RECOMMENDATION:

Adopt the Resolution.

### FUNDING:

Funds are available from Parking Revenue Bonds Fund 481.

### ANALYSIS:

On February 20, 1996, at the request of the City, a study was performed by Urbitran/Ramp (RAMP), for an analysis of the overall existing conditions present at the 42nd Street Parking Garage. It was stated in the report that the facility needed corrective action to preserve the structural integrity of the building.

On June 5, 1996, the Mayor and City Commission declared a public emergency existed and waived the competitive bidding process for professional architectural and engineering services. The Mayor and City Clerk were authorized to execute an amendment to the existing professional services agreement with RAMP for the renovation of the 42nd Street Garage to include Phase II preparation of detailed construction drawings, contract and bid documents, and technical specifications. On October 8, 1997, the Mayor and City Commission appropriated and authorized \$3,700,000 from Parking Revenue Bond Fund 481 for the 42nd Street Parking Garage Renovation to fund the cost of the construction contract and the cost of the design services with RAMP.

On April 8, 1998 the Mayor and City Commission approved the award of a construction contract with Tarafa Construction Inc. (TCI), in the amount of \$3,248,452 pursuant to City of Miami Beach Invitation to Bid Number 7-97/98 entitled "42nd Street Municipal Garage Improvements". This contract amount included the total cost of supplying all labor,

materials, equipment and supervision necessary to complete the renovation of the 42nd Street Parking Garage. There was also a contingency allowance, in the amount of \$200,000, which was to be used to fund unforeseen conditions and other additional costs, which could arise out of the renovation of the existing facility. This represented approximately six (6%) percent of the Contract amount. This amount, by industry standards, is extremely low for a renovation project of this nature. It is common to have a ten (10%) percent to fifteen (15%) percent contingency in place on a renovation project.

During the course of the project, additional work in the amount of \$200,000 was identified. The reasons for this needed work varied from unforeseen structural problems, to additional electrical work required by the poor condition of existing installations, to changes requested by the City. The \$200,000 contingency allowance was used for these costs. On March 15, 2000, by Resolution No. 2000-23840, the Mayor and City Commission approved \$100,000 to cover additional construction costs for work required by regulatory agencies, further structural corrections and additional work requested by the City. This amount of \$100,000 was added to the project funding at that time, and raised the overall contingency amount to nine (9%) percent, which is still low for a renovation project.

In June of 2000, the contractor informed the City that the garage was ready for final inspection. City inspectors observed additional items not consistent with their interpretation of the various codes and the City directed the contractor to comply. These items included additional pull stations and emergency lights, additional parapet gap plates, additional fire protection work, man proofing panels, stairwell lighting fixtures, conduit & cable to the new transformer vault, and a rewired communication system. Some of these items were not shown on the contract documents and could have been considered errors by the consultant. However, the items were not noted at the time of plan review and approval. Nevertheless, the Building Official issued a Temporary Certificate of Completion (TCC) on July 21, 2000.

The above described changes generated Requests for Change Orders in the amount of \$64,871.82 for additional work performed by TCI in order to obtain the TCC. An additional correction to the emergency voice communication system requested by the Fire Marshall, estimated at \$30,000, was also required and completed.

Request for Change Order (RCO) No. 54 by TCI, requesting compensation for additional overhead and general conditions due to excusable, compensable delays during the 42nd Street Parking Garage Project was presented on April 2000. This RCO was initially rejected by RAMP, the consultant of record, after a long period of review and discussion due to insufficient substantiating information. It was also rejected by the CIP Office, for similar reasons on October 9, 2002, after RAMP issued their recommendation.

Subsequent to the rejection, TCI submitted a response letter outlining their position on the matter. They also submitted a substantial number of documents and a timetable in support of their request. This timetable and the submitted documents, as well as our own files and records form the basis of the CIP recommendation presented herein.

There were numerous delays on the project progress, especially during the period of late 1998 through the summer of 1999. This resulted in a request for time extension by TCI from January 2000 through May 2000 for delays in the completion date for the project which was initially February of 2000. As noted above, Substantial Completion was not obtained until July 2000 and the TCC was not issued until July 21, 2000, four months after the initial contract date. At this time, the City obtained beneficial use of the Parking Garage.

It is also fact that there were delays regarding the completion of the man proofing installation during the period of June 22, 2000 through August 14, 2000. Some of the delays occurred after the TCC and are therefore not applicable for compensation. TCI is only requesting a time extension of eighteen days for this work. Initially, the City, under the advice of RAMP, understood that the delays were mostly caused by TCI due to several factors, such as a lack of manpower at the site and delays in the submittal of necessary materials for approval.

Further analysis shows, that while the delays did occur, most of them were as a result of a lack of teamwork by all parties including TCI but also as a result of poor contract documents, poor administration by RAMP during construction, and poor coordination by the Special Inspector retained by RAMP to oversee the structural repairs of the project. Many of the issues related to lack of manpower were directly related to slow responses on the part of RAMP to Requests for Information and to Requests for Proposals from TCI, especially those related to the corrections to the structural slab. The detail shown on the contract documents for the slab repair was not possible to implement due to existing conditions of the slab and the reinforcement. There was also an extended period where the consultant and the contractor could not agree on the repair methodology and on whether the new methods were compensable under the Agreement.

The Special Inspector frequently acted as the site observer from RAMP and sometimes interfered with the contractor's performance by commenting on means and methods or by requesting scope of work not shown on the contract documents. In some instances, the Special Inspector directed TCI subcontractors to stop work or directed them to do additional work in order to maintain the project schedule. Frequently, the directions given were not in accordance with the scope of the contract documents and added or deviated from work specified on the drawings or specifications.

For example, the Special Inspector once directed TCI to use a different size and weight sledgehammer than that being used for the demolition work. In another occasion, the Special Inspector directed TCI to use a different method and sequence of installation for the materials specified for correction of the existing structural cracks. Both of these examples have to do with means and methods which are not the prerogative of the consultant or of the Special Inspector but of the contractor. The confusions due to the performance of the Special Inspector arose from the fact that often, Construction Services of the Palm Beaches (CSPB), the company performing the special inspections, also acted as the field observer for RAMP, even though both services had been contracted separately and separate fees had been paid for both. In this type of Project, the Special Inspector

reports to the Building Official per statute and the Field Observer reports to the consultant per contract. These two services were frequently mixed up and confused by the representative of CSPB in the field.

The most significant delay was incurred in resolving the condition discovered when the slab demolition began, which prevented TCI from adhering to the requirements of the through slab repair shown in the documents, because it was found in the field that the work as detailed could not be performed. This dispute was not resolved promptly because TCI claimed the detail on the documents could not be implemented and RAMP insisted that TCI perform the work as detailed. TCI contributed to the delay by not promptly agreeing with RAMP on an alternative method of repairs, but it was still the responsibility of RAMP to identify the alternative and to issue directives on how to achieve the expected results in a different manner from that shown on the documents. Eventually, the method of slab demolition and restoration was changed by RAMP and a Change Order was recommended for approval by the consultant and paid to TCI for a different method of construction detailed by RAMP. The Change Order was approved without any time extensions at the insistence of the City.

There were also numerous delays in reviewing and responding to Requests for Information (RFI) and Change Order Requests (COR) submitted by TCI to RAMP or the City or both. Some of these delays were submittals related to the through slab repairs, structural crack epoxy injections and slab water proofing which was part of the critical path of the Project. RAMP took as long as 267 days to respond to some of the RFI's.

On the other hand, TCI did not close out the project in a timely fashion and failed to complete the necessary documents for the Final Certificate of Completion (CC). TCI needed assistance by City personnel to complete these tasks. Several permits were found to be open due to lack of final inspections; additional coordination was done by City employees with TCI subcontractors to obtain such finals. The cost of the City personnel involved should be deducted from the RCO value and this reduction is part of this recommendation.

Additional costs were incurred when Property Management became involved to adjust Exit signs and Emergency lights and repairs to the fire alarm were performed. Even though these additional costs were agreed to be done by the City due to the amount of time the Parking Facility had been operating under the TCC, it would not have been required if TCI had done it correctly the first time. This City time is also deducted from the amount TCI is requesting.

Based on the above stated and on other events on record, the time extension requested by TCI on RCO No. 54, which is the subject of this Commission Memorandum, is not unreasonable and is recommended for approval. The daily cost for General Conditions and Overhead and Profit are in line with industry standards and since amounts are not specifically noted in the Contract Documents they became a matter subject to negotiation. After such a long period of time and in an attempt to reach a final resolution of this matter, the costs are recommended for acceptance, with a fair reduction for the latest costs

incurred by the City in completing the final CC process. TCI has agreed not to request reimbursement of the interest on the monies retained even though by statute, as well as in accordance to their Agreement, they may be entitled to do so.

The total amount requested in RCO No. 54 is \$177,211. Staff recommends a final amount of \$160,000 to account for the involvement of Property Management, the Building Department, and the CIP Office in the closeout and Final CC process. Staff also recommends an appropriation, in the amount of \$160,000, from Parking Revenue Bonds Fund 481 to complete Final Payment to TCI and obtain Final Closeout of the Project. All required deliverables and closeout documents have been received, reviewed by CIP and RAMP, and approved. Final Certificate of Completion is pending maintenance corrections required for the elevators which have been requested by the Building Official. TCI, however, has completed all of their contracted work and has completed all the installations required by contract.

**Attachments**

T:\AGENDA\2004\Dec0804\Regular\42nd Street Garage Closeout.doc



**TARAFA CONSTRUCTION, INC.**  
**G E N E R A L   C O N T R A C T O R**

151 MAJORCA AVENUE, SUITE C • CORAL GABLES, FL 33134 • TEL: (305) 444-8337 • FAX: (305) 444-8347

**September 3, 2002 (Revised)**  
**April 3, 2000 (Originally Submitted)****URBITRAN/RAMP Associates**  
**71 West 23rd Street, 11th Floor**  
**New York, N.Y. 10010****Att:    Brian J. Bartholomew, Regional Director****Re:    Parking System Improvements**  
**42nd Street Parking Garage, Miami Beach, Florida**  
**A/E Comm. No. 9432RA, Owner's Project No. 7-97/98****Subj.: Rco 54 "Claim for the Adjustment of the Contract Time and Sum"**

We respectfully submit for your review our **REVISED** claim in the amount of **\$177,211.10** for those costs and expenses incurred during the extended time associated with the administration and management costs of the Project covering the time period from January 31, 2000 through May 30, 2000. Additionally, as part of the revised adjustment to the Contract Time and Sum we are including the additional costs and expenses incurred during the review, and approval for the manproofing panels and associated installation, which amount to approximately 144 man-hours covering the time period from June 22, 2000 through August 14, 2002.

Our claim is based on the time overrun created by reasons beyond our control that extended the Contract completion time thus increasing our overhead on the project. For your convenience and reference, we are herein including our summation letter of those delays that impacted the timely completion of the Work, dated and submitted to City of Miami Beach Public Works Department on January 31, 2000.

Tarafa Construction, Inc. is submitting this claim request based on our position that we are duly entitled to an equitable adjustment of the Contract Time and Sum based on reasonable compensation for the expenses associated with the construction time overrun. It is our intent that based on the good faith effort of all parties involved that this contract can be successfully closed out with a settlement satisfactory to all.

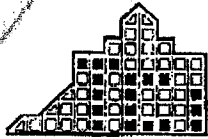
**SUMMARY OF WORK**

Work by Tarafa Construction, Inc. (\$1,159.00 x 121 + 18 days)	\$161,101.00
Profit at 10%	<u>\$16,110.10</u>
<b>Total Amount this Claim</b>	<b>\$177,211.10</b>

Sincerely,  
Tarafa Construction, Inc.

Nestor Marrero  
Project Manager

cc: Robert M. Tarafa, R.A. President  
encl's: January 31, 2000 letter  
Eichealy Formula Calculations

**TARAF A CONSTRUCTION, INC.**  
G E N E R A L C O N T R A C T O R

151 MAJORCA AVENUE, SUITE C • CORAL GABLES, FL 33134 • TEL.: (305) 444-8337 • FAX: (305) 444-8347

**January 31, 2000****The City Of Miami Beach  
Dept. Of Public Works  
1700 Convention Center Drive  
Miami Beach, FL 33139****Attn: Mr. Walter Reddick, Construction Manager****Re: 42nd Street Municipal Parking Garage  
Project No. 9432RA****Subj: Request for Extension of the Contract Time**

Dear Walter,

As you aware throughout the course of the project Tarafa Construction, Inc. through correspondence, updated schedules, meetings, etc. has presented their position that additional time is owed due to excusable delays beyond our control. As you are the third Construction Manager assigned to this project, and you have requested a meeting to discuss this very issue. We thought it might be beneficial, prior to the meeting, to herein recapitulate those previously documented delays through the following brief overview of historical events and selected correspondence to familiarize you with the project delays, prior to your involvement. A full presentation, inclusive of all supporting documents, will be assembled and presented for your review as soon as possible.

The basis for this project's untimely completion, like necessarily that of any other project, is impact to the schedule's critical path. On this project the critical path is the thru-slab demolition/restoration process. The thru-slab restoration is the de-facto predecessor to a litany of successor work which by definition cannot be started, or at the very least (if one where to work out of the proper sequence, as we've been forced to do) cannot be completed until the predecessor work is complete. A partial list of this work would include: Painting, Waterproofing, Traffic markings, Speed bumps, and Electrical work (refer to Superior Electric letter dated 2-26-98).

By way of a brief historical overview the thru-slab repair began with demolition on August 17, 1998 which was completed by September 25, 1998. During this time frame, and pursuant to a field inspection on September 11, 1998 by Joe Wagner, problems were being perceived with the restoration aspect of thru-slab repair work owing to the relative thinness of the existing ramp slab. This situation led to a number of back and forth correspondence, Rfi's, a request for a stop work order and various sketches, all of which finally culminated in sketch "SK-10" issued by

1

Urbitran/Ramp and dated January 11, 1999. Our cost proposal for the additional work involved was tendered on February 16, 1999 and after negotiations and the issuance of some supplemental "TS" designated sketches a change order was issued on April 16, 1999.

At this point (from 9-25-98 to 4-16-99) 205 calendar days had elapsed that we were not able to proceed with the restoration work of the thru-slab. On top of these 203 days it also has to be considered that the demolition work, previously completed, had to be commenced anew prior to scheduling any concrete restorative work. allowing for just a very reasonable (30) calendar days to mobilize the demolition contractor and to accomplish the new work brings the tally of days impacted in the schedule to 235. Moving ahead in the chronology to time recent we experienced the slab cracking issue, which again prevented the completion of this work for yet another (75) calendar days (refer to Tarafa memo dated 1-17-00). Total tally of days impacted to date by just the thru-slab issue would now be 310 calendar days accounting for over 50% of the total contract time available!

Through the first few months of 1999 we cautioned at meetings and through correspondence that without an expedient solution to the thru-slab dilemma, the time being lost was going to prove to be irrecoverable. The inexplicable response from New York, virtually on a weekly basis, was that the project was falling behind schedule, to increase the manpower levels and to bring the project back on schedule. At any rate in attempting to commence or complete other activities outside of the thru-slab work in the time period of approximately December 1998 to April 1999, conflicts with field conditions or ambiguities in the construction documents were encountered either requiring Rfi responses and/or change order approvals. If you refer to the "Responses to Rfi's" or "Responses to RCO's" portion of a letter we drafted in June of last year (enclosed) you will note that either/or was averaging substantially over 100 calendar days turn-around time. Please note that we proactively pursued the needed responses by advising the Engineer via correspondence (refer to letters dated December 7, 1998 and January 4, 1999) of the outstanding issues requiring their attention and further flagged the impact that they were having on the project's schedule. And yet during this time we continued to get barraged with letters demanding to know why the project wasn't moving forward as per the schedule! Requests for time extensions fell on deaf ears and we were told to find ways to mitigate the time lost. As a case in point we were informed at the time of executing your Change Order No. 4, ( thru-slab) by Mr. David Cates that the *only* way the City would approved this change order would be without any additional time as the Garage had to be delivered on time regardless. Given all these circumstances as we've described herein we pretty much concluded that there wasn't any significant difference in dialoguing with either the City or the Engineer as there would be in talking to the proverbial ostrich with it's head in the sand.

As a peripheral issue, but one worth mentioning due to its detrimental effect on the project's momentum, would be that of the Project's Special inspector interference with our ability to prosecute and administrate the Work. Though I believe our working relationship to finally be harmonious, this was definitely not the case as we attempted to gear the project back up after the thru-slab issue was "resolved" by Change Order approval in April of 1999. By way of illustration I have enclosed two letters, one dated May 28, 1999 and the other June 21, 1999. Both letters are

2

self-explanatory and demonstrate unnecessary interference to the process of the Work created by your representative.

What has to be recognized at minimum, that as a consequence of the these situations *which were not of our doing*, and now past the point in time that the project was to have been completed, that we are now confronted with a project that is being administrated out of the as-planned and as-bid sequence, and still not even complete with the Division 3 work! In addition to the \$100,000 dollars of additional thru-slab repairs that have and are being performed we have performed over \$20,000 of additional epoxy injection to the ramp slabs (your C.O. No. 7) and are now performing over \$30,000 of additional ramp slab prep work (EM-100) prior to the application of the deck membrane coating work. In other words you simply cannot expect to delay a Contractor's work by several hundred days, add substantial additional work on top of those delays, throw the work out of the correct and proper sequence and then expect the contractor in the (60) + days that you propose to extend the Contract by to clean-up the mess created by others and finish.

Walter, we appreciate the frustration that your department, the Parking Department and the Board of Commissioners must be experiencing in not comprehending why this project could not have been completed on time. Certainly, we met with some of officials/directors of these departments particularly during the difficult first (6) months of 1999 and while were courteously and professionally received, pretty much their only question and/or response was when would we bring more manpower on the project to complete on time without regard or appreciation that all the manpower in South Florida would not make a difference as long as we could not get answers and continue with the work of the thru-slab.

Accordingly, and based on the preceding Tarafa Construction, Inc. respectfully requests that an Extension of The Contract Time of Performance of no less than 235 calendar days be granted to restore the time period lost between September 25, 1998 and May 16, 1999. During this time no work on the critical path could proceed for reasons beyond our control. Tarafa Construction, Inc. would be well justified in requesting additional time for other delays experienced and documented, (not time concurrent with these 235 days and including such things as unusual weather delays, etc.), however at this point in time notwithstanding any unforeseeable problems/issues of consequence no time beyond that requested is anticipated to be needed.

Sincerely,  
Tarafa Construction, Inc.

Paul E. Martinez  
Project Manager

cc: Robert M. Tarafa, R.A., President

TARAFI CONSTRUCTION, INC.						
DIRECT COST ATTRIBUTABLE TO THIS CONTRACT REVISION						
RCO: 54		DATE: 31-Mar-00				
PROJECT NAME 42nd STREET PARKING GARAGE - PROJECT NO. 9432RA						
DESCRIPTION OF WORK: DIRECT JOB COST DURING EXTENDED CONTRACT DURATION						
A. EXTENDED PROJECT (DIRECT JOB) ADMINISTRATIVE COST DURING CONSTRUCTION PHASE						
1	PROJECT MANAGER - PAUL MARTINEZ - 100% OF TIME	8	HRS.	@	\$22.63 /HRS.	\$181.03
2	FIELD OFFICE - TARAFI CONSTRUCTION	1	EACH	@	\$6.58 /DAY	\$6.58
3	FIELD OFFICE - ARCHITECT	1	EACH	@	\$6.53 /DAY	\$6.53
4	TEMPORARY TOILETS	2	EACH	@	\$2.08 /DAY	\$4.13
5	TELEPHONES	2	EACH	@	\$3.37 /DAY	\$6.74
6	FAX, XEROX, SUPPLIES	2	EACH	@	\$3.29 /DAY	\$6.58
7	ELECTRICITY	1	EACH	@	\$2.85 /DAY	\$2.85
8	WATER	1	EACH	@	\$1.58 /DAY	\$1.58
9	CELL PHONE	1	EACH	@	\$2.30 /DAY	\$2.30
9	SAFETY PROTECTION/FENCING	1	EACH	@	\$8.98 /DAY	\$8.98
10	INSURANCE - BUILDERS RISK	1	EACH	@	\$49.01 /DAY	\$49.01
11	STORAGE CONTAINER	2	EACH	@	\$2.10 /DAY	\$4.20
TOTAL						\$280.51
B. EXTENDED MAIN OFFICE OVERHEAD FOR EXTENDED CONSTRUCTION PHASE						
1	EXTENDED MAIN OFFICE OVERHEAD	1	EACH	@	\$878.59 /DAY	\$878.59
TOTAL						\$1,159.10

<u>CONTRACT BILLINGS</u>		X	<u>TOTAL OVERHEAD COST (CONTRACT PERIOD)</u>	
TOTAL BILLINGS			TOTAL CONTRACT DURATION	
\$3,248,000			\$2,373,309	
<u>513,154,069</u>	X		<u>667</u>	
24.69%	X		\$3,558	
<div>\$878.59</div>				



# **TARAFI CONSTRUCTION, INC.** GENERAL CONTRACTOR

151 MAJORCA AVENUE, SUITE C CORAL GABLES, FL. 33134 TEL: (305) 444-8337 FAX: (305) 444-8347

## **REQUEST for CHANGE ORDER**

DATE: 03.SEP.02

RCO #: 54A

PROJECT: Parking System Improvement / 42nd Street Parking Garage, Project No. 7-97/98

TO: Mr. Water Reddick, Project Manager

RE: Additional Management and Administration Time for Manproofing Panels

### **DESCRIPTION:**

Below please find the cost for the additional administration, coordination and supervision beyond TCI's contractual requirements for the installation of the manproofing panels, due to delays associated with the approval of the manproofing shop drawings and approval of change order for the manproofing price increase. Note that this additional time is compensable. Therefore, we will add this cost to our Claim for the adjustment of the Contract Time and Sum. Excluded from this proposal is any unforeseen or additional work encountered during the sequence of this work, along with any other items not specifically indicated in this request for change order. This proposal must be accepted within 30 days of the above date, after which time it may be subject to escalation. If not accepted within the stated time frame this proposal will automatically expire. Please proceed immediately and issue a written change order accepting this proposal so that we can proceed with this work. No work will be performed without an official executed change order to our contract.

NOTE: This proposed change is limited to the work described herein, and does not include any other work not specifically listed, or any amounts for additional charges in the sequence of the work, delays, disruptions, rescheduling, extended overhead, acceleration, unforeseen conditions, overtime and/or impact cost. TCI reserves the right to make any additional claims for any and all those related items above mentioned, including any items we might have omitted due to the complexity of this revision or due to unforeseen condition prior to any final settlement of this contract. Also we reserve the right to claim for additional time for this change order work.

### **Attachments:**

#### **TCI INC. LABOR**

(see attached cost analysis)

\$ 6,567.84

#### **EQUIPMENT/MATERIAL**

(see attached cost analysis)

209.84

#### **SUBCONTRACTS**

(see attached cost analysis)

-

#### **GENERAL CONDITIONS 0.0%**

(Administration of Change Order)

-

SUBTOTAL 6,777.68

TCI Overhead & Profit @ 12% 813.32

SUBTOTAL 7,591.00

Bond and Liability Cost @ 1.5% 113.87

TOTAL THIS RCO \$ 7,704.87

Tarafa Construction, Inc.

Nestor Marrero, Project Manager

Name

Signature

Date

TOTAL OF THIS CHANGE ORDER REQUEST (Add)

\$ 7,704.87

The Contract Time will be (Changed) by

18 days

Owner Inspector:

Name & Title

Signature

Date

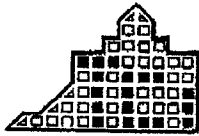
Owner:

Mr. Walter Reddick, Owner Representative

Name & Title

Signature

Date

**TARAFa CONSTRUCTION, INC.**  
**GENERAL CONTRACTOR**

151 MAJORCA AVENUE, SUITE C CORAL GABLES, FL. 33134 TEL.: (305) 444-8337 FAX: (305) 444-8347

**COST ANALYSIS**

DATE: 03.SEP.02

RCO #: 54A

PROJECT: Parking System Improvement / 42nd Street Parking Garage, Project No. 7-97/98

RE: Additional Management and Administration Time for Manproofing Panels

**LABOR****DESCRIPTION:**

1) Management Direct Cost	6,567.84
2)	-
3)	-
4)	-
5)	-
6)	-
7)	-
8)	-
9)	-

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Labor Total= 6,567.84**EQUIPMENT/MATERIALS**

1) Material Direct Cost	209.84
2)	-
3)	-
4)	-
5)	-
6)	-
7)	-
8)	-

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Equip./Mat. Total= 209.84**SUBCONTRACT**

- 1)
- 2)
- 3)
- 4)

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Subcontract Total=**SUBTOTAL**

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Subtotal= 6,777.68

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**GRAND TOTAL** \$ 6,777.68

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**OLD BUSINESS**



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CITY OF MIAMI BEACH  
Office of the City Manager  
Interoffice Memorandum



**To:** Finance and Citywide Projects Committee

**Date:** December 14, 2004

**From:** Jorge M. Gonzalez  
City Manager

**Subject: PROPOSED A. I. BOYMELGREEN PROJECT AT FIFTH STREET AND  
ALTON ROAD**

On August 4, 2004, the Administration met with representatives of the site on the northwest corner of 5th Street and Alton Road, to review a preliminary site plan which contemplates development of approximately sixty-six (66) residential units with accessory restaurant/retail space and on-site parking by A. I. Boymelgreen. The development site encompasses approximately  $\frac{3}{4}$  of the block, and a vacation of the existing public alley and its relocation to a different location within the block would be required for the project to proceed.

On October 26, 2004, the Finance and Citywide Projects Committee met to discuss this proposal to determine the City's interest in said proposal and instructed the Administration to execute an Owner's Affidavits for the sole purpose of a Design Review Board (DRB) Design Review Application, with the understanding that said Owner's Affidavits does not constitute an endorsement of the proposed project or a recommendation for the vacation and relocation of the public alley located on the site.

The Committee further recommended that the developer proceed with their DRB application for the demolition of the two existing one story buildings, and the construction of a new eight story mixed-use retail and residential structure and report back to the Finance and Citywide Projects Committee with the results of the DRB review and for the consideration of the alley vacation and relocation.

On November 16, 2004, the DRB approved the proposed project and fully supported the alley vacation/relocation, citing its improved circulation and pedestrian oriented features and enhanced sight lines. On December 3, 2004, the applicant also received approval for certain setback variances and concurrently proffered to establish a transit station at the Alton Road frontage of the building, to be used in conjunction with any future transit project.

Accordingly, the results of the aforementioned Board meetings are being brought back before the Finance and Citywide Projects Committee to consider the applicant's request for alley vacation/relocation.

Based on the Boards' favorable review, the Administration recommends the Finance and Citywide Projects Committee support the proposed alley vacation/relocation, subject to negotiation of additional public benefits, and instruct the applicant to proceed with the application procedure. Public Works has also requested additional traffic analysis in connection with their review of this request.

Staff has met with the applicant and requested additional public benefits (in addition to the establishment of a transit station described above) in consideration of their request for vacation/relocation of the existing alley. The parties have discussed a contribution of funding or improvements for the 6th Street Community Center as part of the additional public improvements. The details have not yet been negotiated and the City will provide a listing of desired improvements for the facility and if directed, by the Committee, negotiate said contributions prior to the full Commission's consideration of the alley vacation/relocation.

JMG/<sup>OK</sup>CMC/rar

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CITY OF MIAMI BEACH  
Office of the City Manager



**To:** Members of the Joint Finance and Citywide  
Projects and Land Use Committees

**Date:** December 14, 2004

**From:** Jorge M. Gonzalez  
City Manager

**Subject:** WALKER PARKING/ALTERNATIVE ANALYSIS & FINANCIAL FEASIBILITY ANALYSIS

On June 4, 2003, the Joint Meeting of the Finance and Citywide Projects Commission Committee, Land Use Development Committee discussed the Supply/Demand component of the Walker Parking Study. Mr. John Kowalchik, Project Manager/Walker Parking presented an overview of the study findings and there were some discussions regarding additional areas and/or sites to be reviewed that will be addressed later in this document.

A second and completed (see Exhibit "A") component of the study was an AA (Alternatives Analysis). This is an analysis of potential sites from various perspectives, including location, capacity/density, and costs. Walker Parking conducted two AA, one each for South and Middle Beach. Incidentally, the North Beach AA was completed in November, 2002 as a component of the North Beach Town Center analysis; however, North Beach was revisited at the direction of the Committee due to the elimination of the 72nd Street Project and more importantly the growth (future parking demand) that has spawned in the North Beach area, particularly in the area of Collins Avenue between 63rd to 72nd Streets. Upon surveying the North Beach area, additional properties were identified, one of which, has resulted in a potential joint venture development site that will be addressed later in this document. Also, the final component of the analysis was for Walker to conduct a Financial Feasibility Analysis (FFA) for the consensus site(s) of the alternatives analysis (see Exhibit "B"). Two sites recommended for possible joint development opportunities in the North Beach Town Center analysis are still valid; thus the AA and the FFA are also included as Exhibits "A" and "B", respectively.

The Alternatives and Financial Feasibility Analysis identified potential sites from various perspectives, including location, capacity/density, and costs. Walker Parking conducted the following tasks:

- Reviewed existing vehicular and pedestrian access and circulation patterns for their relationship to existing and proposed parking facilities.
- Identified alternative sites for a new parking facility(s) and determined reasonable parking capacity for each site. External variables that were considered were desirable density, phasing of construction, and incorporation of other uses (such as retail) in the proposed facility.
- Determined conceptual construction and project costs to enable a comparison of the costs of each alternative.
- Evaluated the various alternatives on the basis of qualitative criteria (mutually agreed upon by Walker and the City). The criteria included: capital costs, life cycle costs, ability to generate revenue, location, visibility, site costs, pedestrian access,

vehicular access, traffic impact, aesthetics, implementation time, security, and future versatility. A weighted matrix was used to achieve more objectivity and ranking of the alternatives.

- The North Beach Town Center alternatives analysis, conducted in 2002, uses slightly different evaluation and weighting criteria; thus it cannot be directly compared to the ranking of sites in the more recent alternatives analysis.

Subsequently, an FFA (Financial Feasibility Analysis) was also conducted for the consensus site(s) of the alternatives analysis. The FFA included the following tasks:

- Used operating expense information provided by the City, projected annual operating expenses for a five-year period.
- Projected estimates of probable construction costs, contingency costs and consulting fees. The City provided interest rate and term of loan inputs.
- The City provides an area rate analysis for each of the areas in order to arrive at consensus for parking rates and fees.
- Based on the information provided, annual net operating income of the proposed facilities was projected for a five-year period.
- Prepared three (3) pro forma statements of net operating income, debt service coverage, and projected cash flow for a five-year period.

In the Administration's review of the Alternatives Analysis recommendations, the City's considered these options with the intent to maximize the results by strategically placing new inventory between two or more areas that have indicated or projected a parking shortage. These alternatives were developed conceptually and weighted against a set of criteria or values. The values were weighted according to relative importance and alternatives were scored against the criteria field. The following are a listing of citywide locations that were considered and evaluated in the Alternatives Analysis, including the 2002 North Beach Town Center alternatives analysis:

1. 226-87<sup>th</sup> Terrace) (former Driver License Station/Dezerland Use)
2. Vacant North Lot of Altos Del Mar West; 86<sup>th</sup> to 87<sup>th</sup> Street between Collins and Harding Avenues
3. Vacant South Lot of Altos Del Mar West; 79<sup>th</sup> to 80<sup>th</sup> Streets between Collins and Harding Avenues
4. North of 71st Street between Byron Ave. & Abbott Court (Town Center Site 1)
5. South of 71<sup>st</sup> Street between Byron Ave. & Abbott Ave. (Town Center Site 2- Byron Carlyle lot and City National Bank)
6. North of 71st Street between Harding Ave. & Collins Ave. (Town Center Site 3)
7. North of 74th Street between Harding Ave. & Collins Ave. (Town Center Site 4)
8. South of 71<sup>st</sup> Street between Abbott Ave. & Harding Ave. (Town Center Site 5- CMB lot and City National Bank)
9. North of 71<sup>st</sup> Street between Harding Court & Harding Ave. (Town Center Site 6)
10. 1960 Normandy Drive
11. 2124 Verdun Drive
12. 1760-71 Street

13. 1025, 1047, 1053, 1101, 1109-71 Street, and 946 Normandy Drive (Wasserstein - Washington Mutual Drive-thru and Existing Municipal Lot).
14. 1144 Marseilles Drive - Sweyze Lot
15. 6850 Bay Drive
16. 6396 Collins Avenue (6382 & 6372)
17. 6615 and 6625 Indian Creek Drive
18. 6600 Collins Avenue (Motel 8 formerly known as Rowe Property)
19. 4621 Collins Avenue (46<sup>th</sup> Street and Collins Avenue Municipal Lot)
20. 23<sup>rd</sup> Street between Liberty and Collins Avenue (Rooney Palace Lot)
21. 1668, 1670, and 1676 Collins Avenue (James Lot between Lincoln Road and 17<sup>th</sup> Street)
22. City Hall Expansion
23. Preferred Parking Lot
24. TOPA Lot
25. 17<sup>th</sup> Street Surface Lots
26. SunTrust Lot (Ucello) and City Municipal Lot (10A)
27. Cejas Lot, 16<sup>th</sup> Street and Drexel
28. 1231, 1251-17<sup>th</sup> Street (Housing Authority Lot)
29. 1833-37 Bay Road (Miller-Rosenthal Lot)
30. 13<sup>th</sup> & Collins Municipal Lot
31. Potamkin Lot, 5<sup>th</sup> to 6<sup>th</sup> Streets between Alton and Lenox
32. Portofino Lot, South Pointe Dr. to Commerce between Washington Ave and Alton Road
33. Pier Park Municipal Lot (1A)
34. Portofino Lots, South Pointe Drive to First Street between Collins Avenue and Ocean Drive
35. 30<sup>th</sup> Street and Collins (Palms Lot)

According to the weighted site evaluations, the top five sites were as follows:

1. Preferred Parking Lot
2. City Hall Expansion Site
3. 6600 Collins Avenue
4. 17<sup>th</sup> Street and Washington Avenue Lots
5. 1960 Normandy Drive

In the North Beach Town Center, the weighted site evaluations resulted in the following top two rankings:

1. Site 2 - 410 71<sup>st</sup> Street (Byron Carlyle Lot/City National Bank)
2. Site 5 - 6970 Harding Ave (City Lot P-84/City National Bank)

Clearly, there is a scarcity of available land and land acquisitions for parking are cost-prohibitive. Therefore, it is advantageous to the City to leverage its capital funding by joint venturing with the private sector wherever possible in order to: (1) maximize funding in order to address parking demand citywide; and (2) realize the highest and best use of a property is typically a mixed-use development providing additional parking spaces above what is required for public use.

To this end, the Administration with Walker's concurrence recommended conducting the full analysis on the following four (4) sites: 410 71<sup>st</sup> Street (Byron Carlyle Lot/City National Bank), 6970 Harding Ave (City Lot P-84/City National Bank), 23<sup>rd</sup> Street and Collins Avenue (Roney Lot) and 6600 Collins Avenue (Motel 8). These sites provide the most advantages from various perspectives, including, but not limited to, the ability to leverage capital funding by joint venturing with interested developers.

#### **410 71<sup>st</sup> Street (Byron Carlyle Lot/City National Bank)**

This site is one of two possible sites for parking structures in the North Beach Town Center that could help to alleviate the projected parking deficit (964 spaces in 2008). The site is located on the south side of 71st Street between Abbott and Byron Avenues. It includes a parking lot acquired by the City with the purchase of the Byron Carlyle Theater, as well as surface parking lots and a drive-through teller owned by City National Bank. Although not included in the Walker Parking analysis, the site could possibly be expanded to include the adjacent Southern Bell parking lot and the Prima Pasta Restaurant. Public parking is the principal means by which the City of Miami Beach can help to attract private sector investment to the North Beach Town Center. The availability of ample public parking would help to make 71st Street a favorite shopping/dining destination for residents and visitors from Middle Beach to Surfside.

#### **The 410 71<sup>st</sup> Street site provided the following advantages identified in the analysis:**

- Close proximity to demand generators, including the Byron Carlyle Theater
- Central location along 71<sup>st</sup> Street in the area proposed to be redeveloped with pedestrian-friendly, high density mixed-use
- Ability to serve residential, business, transient and visitor parking between 73<sup>rd</sup> Street and 69<sup>th</sup> Street and from Collins Avenue to Indian Creek
- Possibility for the City to team with private enterprise for benefits to all parties
- Able to accommodate long-term parking goals
- Opportunity to expand the site in the future, if needed
- Opportunity to develop ground floor retail space along the 71<sup>st</sup> Street frontage

#### **Various concerns/challenges of the site include:**

- City does not own a large portion of the site.
- Feasibility of teaming with private enterprise to secure and construct parking facilities on this site may be dependent upon a land swap or joint venture agreement for 6970 Harding Ave (Lot P-84).
- Possible traffic implications as ingress/egress could be on 71<sup>st</sup> Street and/or southbound Abbott Avenue (A1A).

#### **6970 Harding Ave (Lot P-84/City National Bank)**

This site is one of two possible sites for parking structures in the North Beach Town Center



that could help to alleviate the projected parking deficit (964 spaces in 2008). The site is located behind the City National Bank building on the south side of 71st Street between Abbott and Harding Avenues. It includes the City of Miami Beach parking lot P-84 as well as surface parking lots owned by City National Bank. This site was rated slightly lower than the adjacent site at 410 71<sup>st</sup> Street because it is slightly smaller and does not have frontage on 71<sup>st</sup> Street. Otherwise the sites offer similar advantages.

**The 6970 Harding Ave site provided the following advantages identified in the analysis:**

- Close proximity to demand generators
- Central location along 71<sup>st</sup> Street in the area proposed to be redeveloped with pedestrian-friendly, high density mixed-use
- Ability to serve residential, business, transient and visitor parking between 73<sup>rd</sup> Street and 69<sup>th</sup> Street and from Collins Avenue to Indian Creek
- Possibility for the City to team with private enterprise for benefits to all parties
- Able to accommodate long-term parking goals

**Various concerns/challenges of the site include:**

- City does not own a portion of the site.
- Feasibility of teaming with private enterprise to secure and construct parking facilities on this site may be dependent upon a land swap or joint venture agreement for the other City National Bank site identified in this study.
- Possible traffic implications as ingress/egress could be on southbound Abbott Avenue (A1A).

**6600 Collins Avenue (Motel 8) Site:**

This site is not within one of the defined study areas; however, as previously mentioned, this site abuts two defined study areas, North Beach Town Center and North Hotel, both with projected parking shortages. Many historically and architecturally significant hotel and condominiums have renovation projects in the planning, design, or construction phase. These include the Monte Carlo Hotel, Sherry Fontenac, Brazil Hotel, Deauville Hotel, and the Carillon. These renovations will create additional parking demand and deficit. However, since the Walker Parking Study was completed, several conditions have changed, making this site less advantageous. The Deauville has approved plans to construct a new 600-space parking structure on an adjacent parcel of land. The Monte Carlo Hotel has major structural damage that will likely lead to its demolition and replacement with on-site parking for new uses. The Sherry Frontenac Hotel is planning its own on-site parking on the adjacent Forde Apartments site. Finally, the ownership of the 6600 Collins site has changed and the new owners are actively working on plans for a new mixed-use project that does not have a public parking component.

**The 6600 Collins Avenue site provided the following advantages identified in the analysis:**

- Excellent in terms of location to serve the community in the northern area of the

City.

- Considered one of the better uses and neighborhood concerns were considered minimal.
- Deemed to be in acceptable walking distance to final destinations
- Aesthetics of a parking structure deemed not detrimental to the project.
- Site has good visibility to attract potential parkers and ingress/egress is convenient.
- Rated favorably in terms of mixed-use, with possible office or residential.
- There were no significant environmental impacts of having a parking structure at this location.
- The site's size is sufficient to construct a facility that may be expanded in the future, if and when necessary.
- Because the site is currently partially used for parking, temporary parking during construction should cause minimal issues.

**Various concerns/challenges of the site include:**

- City does not own the site.
- Combination of acquisition and construction costs may affect the viability of the project.
- Possible traffic implications as ingress/egress would be on Collins Avenue and/or Indian Creek.

**23<sup>rd</sup> Street and Collins Avenue ("Roney Lot")**

After reviewing the remaining potential sites, the "Roney" site provided an opportunity to again address various parking demand generators in the area. The City's Cultural Campus Corridor is posturing itself to be one of the City's most explosive growth area in terms of cultural venues, high end hotels, and restaurants. Additionally, at one time, the City had planned a new garage project and set aside funding through the RDA (Redevelopment Agency) for such projects but was precluded from consummating the transaction due to the high cost of imminent domain and an unwilling private land owner. Therefore, although the site did not rank in the top five sites, the following two factors raised awareness to the site: (1) the owner's willingness to joint venture with the City; and, (2) the sites proximity to cultural and tourist venues.

**The 2300 Collins Avenue (Roney) site provided the following advantages identified in the analysis:**

- Excellent in terms of location to serve the community in the northern area of the City.
- Considered one of the better uses and neighborhood concerns were considered minimal.
- Deemed to be in acceptable walking distance to final destinations
- Aesthetics of a parking structure deemed not detrimental to the project.
- Site has good visibility to attract potential parkers and ingress/egress is convenient.

- Rated favorably in terms of mixed-use, with possible office or residential.
- There were no significant environmental impacts of having a parking structure at this location.
- There were no major safety concerns with a parking facility at this location.
- There could be some future versatility associated with a parking facility on this site. The facility could be expanded horizontally, if necessary.

**Various concerns/challenges of the site include:**

- City does not own the site.
- Combination of acquisition and construction costs may affect the viability of the project.
- Possible traffic implications as ingress/egress would be either on Collins Avenue or Liberty Avenue.

**Concept Designs:**

Walker has provided concept designs for the four top-ranked sites: 6600 Collins Avenue (Motel 8), 2300 Collins Avenue (Roney), 410 71<sup>st</sup> Street (Byron Carlyle Lot/City National Bank), and 6970 Harding Ave (City Lot P-84/City National Bank) (see attached).

**Financial Feasibility Analysis:**

Walker provided a Financial Feasibility Analysis for the North Beach Town Center site in 2002 and a similar analysis in 2003 for the 6600 Collins Avenue (Motel 8) and 2300 Collins Avenue (Roney) sites. For the North Beach Town Center, Walker utilized a recommended rate structure based on consideration of inflation, comparable properties, intended parking management strategies and user groups. For the more recent analysis on 6600 Collins Ave. and 2300 Collins Ave., Walker utilized a parking rate schedule produced using a simple average of the rate schedule for the city-owned facilities. Average rates ranged from \$1.00 for the first hour to \$10.33 for 14 to 24 hours and a monthly rate of \$78.47. Walker recommends the following rate schedule which takes into account inflation, comparable properties, intended parking management strategies, and user groups.

	<b>6600 Collins Ave and 2300 Collins Ave</b>	<b>North Beach Town Center (410 71<sup>st</sup> Street)</b>
1 Hour:	\$1.25	\$1.25
2 Hours:	\$2.50	\$1.50
3 Hours:	\$3.75	\$3.00
4 Hours:	\$5.00	\$4.50
5 Hours:	\$6.25	\$5.50
6 Hours:	\$7.50	\$6.50
7 Hours:	\$8.75	\$7.50
8 Hours:	\$10.00	\$8.50
9 Hours:	\$11.25	\$10.00
10 Hours:	\$12.50	\$12.00
11 Hours:	\$13.75	\$14.00

12 Hours:	\$15.00	\$16.00
13 Hours:	\$16.25	\$18.00
14-24 Hours:	\$17.50	\$18.00
Monthly:	\$75.00	\$70.00

The following model is based on a 674 space parking facility for 410 71<sup>st</sup> Street, a 400 space parking facility for 6600 Collins Avenue (Motel 8) and a 250 space facility for 2300 Collins Avenue (Roney) without any lease-up adjustments; operating 24 hours a day/365 days a year; a projected turnover ratio of 2.04 turns per day; and 60% of the available spaces would be allocated for monthly parking. Annual operating expenses were estimated utilizing data provided by the City's Parking Department for existing operations. Walker further recommends and accounts for a \$75 per space/per year expense to establish a sinking fund for future facility repair and replacement. The following highlights the results of the pro forma showcasing gross revenues, operating expenses, net operating income, projected debt service, net operating income, and debt service coverage (full pro forma attached):

**410 71<sup>st</sup> Street (Byron Carlyle Lot/City National Bank):**

	2004	2005	2006	2007	2008
Gross Revenues:	\$1054K	\$1221K	\$1396K	\$1438K	\$1481K
Operating Exp.:	\$586K	\$604K	\$622K	\$640K	\$660K
Net Op. Income:	\$468K	\$618K	\$775K	\$798K	\$822K
Proj. Debt Service:	\$681K	\$681K	\$681K	\$681K	\$681K
Net Op. Income:	(\$214K)	(\$ 64K)	\$ 93K	\$116K	\$140K
Debt Coverage:	0.69	0.91	1.14	1.17	1.21

**6600 Collins Avenue (Motel 8):**

	2006	2007	2008	2009	2010
Gross Revenues:	\$671K	\$761K	\$850K	\$946K	\$946K
Operating Exp.:	\$398K	\$407K	\$416K	\$425K	\$434K
Net Op. Income:	\$273K	\$354K	\$434K	\$521K	\$512K
Proj. Debt Service:	\$404K	\$404K	\$404K	\$404K	\$404K
Net Op. Income:	(\$131K)	(\$ 50K)	\$ 30K	\$117K	\$108K
Debt Coverage:	0.68	0.88	1.07	1.29	1.27

**2300 Collins Avenue (Roney):**

	2006	2007	2008	2009	2010
Gross Revenues:	\$419K	\$476K	\$531K	\$592K	\$592K
Operating Exp.:	\$249K	\$254K	\$259K	\$264K	\$269K
Net Op. Income:	\$170K	\$222K	\$272K	\$328K	\$323K
Proj. Debt Service:	\$253K	\$253K	\$253K	\$253K	\$253K
Net Op. Income:	(\$ 83K)	(\$ 31K)	\$ 19K	\$ 75K	\$ 70K
Debt Coverage:	0.67	0.88	1.08	1.30	1.28

**Conclusion:**

Based on the supply/demand, alternatives, and financial feasibility analyses conducted, the

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results of this study should be utilized in the City's prioritization and establishment of a long term capital plan for parking projects. The Administration addresses the issue of funding as a companion item under separate cover; however, both memorandums should be discussed concurrently at this committee meeting. The Administration seeks direction regarding the prioritization of these and other facilities as well as various policy issues, including: amounts to be retained in the parking enterprise fund balance; repair and replacement funding; and technology enhancements. It should be noted that the City's Planning Department, Economic Development, and Parking Department were instrumental in providing a vast array of information required to complete this component of the study. Due to the extensive nature of data included in the study, staff is available to meet and brief members of the City Commission individually, as requested.

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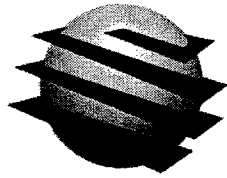
**WALKER PARKING  
ALTERNATIVE ANALYSIS  
& FINANCIAL FEASIBILITY ANALYSIS**

**EXHIBIT “A”**

**(ALTERNATIVES ANALYSIS)**

**JOINT FINANCE AND CITYWIDE  
PROJECTS AND  
LAND USE COMMITTEES**

**DECEMBER 14, 2004**



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ALTERNATIVES  
ANALYSIS

NORTH BEACH  
TOWN CENTER

# MIAMI BEACH – NORTH BEACH TOWN CENTER

## SUPPLY/DEMAND AND ALTERNATIVES ANALYSIS

FEBRUARY 6, 2004



**WALKER**  
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### INTRODUCTION

Convenient, short-term, on-street parking for patrons and visitors of the North Beach Town Center area is considered in short supply. The proposed developments and renovations will only add to the perception of a parking shortage in the North Beach Town Center area. In order to alleviate the growing concern of a parking shortage, the City has requested that Walker perform a parking alternatives analysis.

An alternatives analysis presents options for expanding the physical parking supply when parking shortages have been indicated or projected. These alternatives are developed conceptually and weighed against a set of criteria or values. Values are weighted according to relative importance and alternatives are scored against the criteria field. The end result of the analysis is a recommendation for adding new parking supply to the North Beach Town Center area that will be user-friendly, cost-effective, and strategically introduced to proactively correct anticipated parking problems. The following section outlines the alternatives developed to correct North Beach Town Center's parking issues.

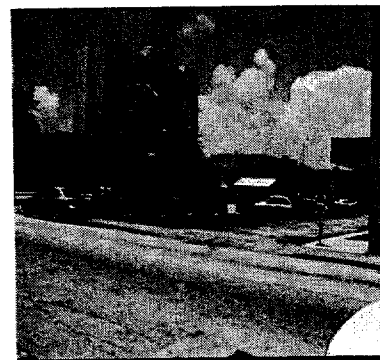
To better understand values within the parking community, Walker attended two Charrettes in June 2001 and received input from business owners, employees, residents, city officials and consultants. Walker used the information provided by all groups to help formulate the methodology and evaluate the results of the alternatives analysis.

In the supply demand section of this report, we identified a potential parking shortage of up to 1,440 parking spaces within the North Beach Town Center study area by 2011. In order to provide for the previously established effective supply ratio of 85%, the addition of 1,440 parking spaces should be considered in the North Beach Town Center area, over the next ten years.

A review of the results of the "visioning exercise" carried out at the June 7<sup>th</sup> Charrette provided substantial insight into the perception of parking in the North Beach Town Center area. The most common reference was the need of parking for North Beach Town Center residents, followed by parking for businesses and employees. Further, the Charrette participants suggested that visitor parking should consist of on- or near-site parking combined with an acceptable shuttle service from auxiliary parking.

### ALTERNATIVES ANALYSIS

#### NORTH BEACH TOWN CENTER



Possible Alternative Site



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### ALTERNATIVES DESCRIPTIONS AND ASSESSMENTS

With the assistance of the City and the participants in the June Charrettes, Walker identified potential sites that may offer opportunities to gain additional parking in the North Beach Town Center area. Those sites were then assessed to determine whether they could be used to gain additional parking and whether the sites would satisfy existing and projected shortages.

In an effort to objectively evaluate each potential site, City officials were asked to rate each site on selected issues including, but not limited to, walking distances, traffic implications, safety, aesthetics and other criteria. Each selected issue was given a weighted factor depending on its relevance to the project. A weighted score was then produced for each site. A copy of the weighted site analysis can be found in Alternatives Appendix of this report.

The sites rated in the weighted site analysis were not specifically defined address location, but were generally defined by block. Listed below are the locations of the sites.

- Site 1: South of 72<sup>nd</sup> Street between Byron Avenue and Abbot Court.
- Site 2: South of 71<sup>st</sup> Street Between Byron and Abbot Avenues.
- Site 3: North of 72<sup>nd</sup> Street between Harding and Collins Avenues.
- Site 4: Between 73<sup>rd</sup> and 75<sup>th</sup> Streets between Harding and Collins Avenues.
- Site 5: South of 71<sup>st</sup> Street between Abbot and Harding Avenues.
- Site 6: South of 72<sup>nd</sup> Street between Harding Court and Harding Avenue.

Site 1 ranked fourth out of the six sites on the weighted site analysis. Although this site has a good location relative to the projected future developments, it has several disadvantages that make it less desirable than other locations. One concern is the impact a facility at this location would have on the traffic patterns on the 72<sup>nd</sup> Street corridor. One of the ideas for future development of the North Beach area is to include a pedestrian friendly environment in the 72<sup>nd</sup> Street and Harding Avenue area. A parking facility at the Site 1 location will most likely affect a pedestrian friendly environment in the core commercial area around 72<sup>nd</sup> Street and Harding Avenue.

Other issues, such as ownership cost, construction cost, and neighborhood concerns, affected the rating of this site. Several separate land parcels would need to be acquired to make a facility on this site feasible.

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Finally, consideration has to be given to the highest and best use of the properties in question. With the projected future developments for the 72<sup>nd</sup> Street corridor, the properties on this block have the potential to become a valuable asset worthy of consideration for additional development. For this reason, the highest and best use of these properties may not be as a parking facility.

Site 2 ranked the best on the weighted site analysis for many reasons. This location could service the proposed future developments and a large portion of the existing business center of North Beach Town Center. It can also service some segment of the residential area of North Beach Town Center. This may help to relieve the some of the perceived residential parking issues in this area. However, the greatest benefit would be to the business community in general. By having off-street parking available in this area, the business community will have ample parking for both employees and patrons. This should translate to available on-street parking for visitors and residents of the area.

This site also presents many options in terms of acquisitions and layouts. On this site, the City has the possibility of teaming with private enterprise for the benefit of all parties. Through acquisitions, trade, joint ventures, or a combination of various methods, the City has a unique opportunity to plan parking that would benefit several different facets of the community, while being responsive to the community in general. A combination of several parcels on this block should give the City, and ultimately the community, a site that can maximize parking efficiently and effectively. Another advantage to this site is its proximity to the projected future developments, particularly the core commercial area around 72<sup>nd</sup> and Harding Avenue. It is within acceptable walking distance to this area and the traffic can be controlled to minimize the impact on the proposed pedestrian friendly corridor.

Site 3 ranked fifth on the weighted site analysis. The major disadvantage with this location is that it is part of the proposed future development area. Although a portion of the location could possibly be used for parking, it is questionable whether this is the highest and best possible use of the site. Because this site is projected for development, it means that the available portion of the site (if any) may not have suitable geometric characteristics for parking. Also, access to a facility at this location would have a negative affect on any desired pedestrian corridor for the projected future developments.

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Further, we have learned that the projected development will include both residential and commercial space. We understand that the projected development will include approximately 220 residential units along with 32,500 to 37,500 sq. ft. of commercial space. To augment the new development the project will include about 700 on site parking spaces. Of the roughly 700 parking spaces, 575 will be dedicated to the residential component of the project and 125 would be used to support visitors to both the residence and commercial area.

Although we have recently learned that talks about the proposed development for this site have been terminated, this site still remains an excellent location for future development. Therefore, consideration has to be given to the highest and best use of the property in question. With the projected future developments for the 72<sup>nd</sup> Street corridor, this block has the potential to become a valuable asset worthy of consideration for additional development. For this reason, the highest and best use of this property may not be as a parking facility.

Site 4 ranked sixth (or last) among all the sites examined. There are numerous reasons, from walking distances to acquisition questions. It could serve the Collins Avenue commercial area north of 72<sup>nd</sup> Street. However, there is presently an ample supply of public parking available in this area. One disadvantage of the site location is that it would mainly serve residential areas. Although residential parking is one issue that needs to be addressed in the North Beach Town Center area, it is suspect as to whether a facility here would be cost effective. There is a cost to establish and maintain any type of parking system. It is usually not cost effective to establish parking that would mainly serve a residential area, even at fair market rates. The best solution to maintain a financially healthy parking system is to establish parking in areas that would attract and be utilized by customers willing to pay a fair market rate for short-term parking. In turn, this should free up parking in other areas that can then be utilized by visitors and residents. This site also lays within the historic district of North Beach Town Center and as such, will have a unique set of issues that can effect utilization, location, and cost.

If development of the 72<sup>nd</sup> Street and Collins Avenue parcel advances, and includes a public parking component, additional parking in this area of North Beach Town Center may not be necessary. Providing off-street public parking in the development should free up on-street availability that can be utilized by the residence and visitors of area. Should additional parking become necessary for this immediate area, it can be handled through strategically placing surface parking lots within the area.

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Site 5 ranked second on the weighted site analysis. This site has potential to serve the business and residential communities while being within reasonable walking distance of the proposed future development sites. One issue that may complicate the utilization of this site is the make up of the land parcels on this block. There are 14 different land parcels that make up this block. Although not all 14 parcels would be required to have an efficient and effective parking facility, it would require a combination of several parcels.

Acquisition and coordination of strategic parcels is an important issue with regards to this site. However, it does have the same potential as Site 2 with respect to the possibility of teaming with private enterprise for benefit of all parties. Through acquisitions, trade, joint ventures, or a combination of various methods, the City has a unique opportunity to plan parking that would benefit several different facets of the community, while being responsive to the community in general. A combination of several parcels on this block should give the City, and ultimately the community, a site that can maximize parking efficiently and effectively. Another advantage to this site is its proximity to the projected future developments, particularly the 72<sup>nd</sup> and Harding Avenue area and the reconstructed North Shore Park. It is within acceptable walking distance to this area and the traffic can be controlled to minimize the impact on the proposed pedestrian friendly corridor.

A strategic plan with the City National Bank of Miami can provide both the Bank and the City with the land necessary to secure enough parking required by the projected future growth. If the City and the Bank can come to a mutual understanding, there is a possibility of providing structured parking on Site 5 and providing surface parking on Site 2. Site 2 could then be considered for future growth by developing structured parking in this location as needed. By committing to a public/private arrangement, the Bank will secure a new drive-through directly behind its building along with visitor and employee parking. In turn, the City would have both surface and structured parking available for the general public during normal business hours and substantially more available parking in the evenings and on weekends.

If necessary, Site 2 could be taken out of service soon after the facility on Site 5 is complete, and construction of a second facility can be started on Site 2. This would ensure enough parking for all developments in the immediate surround area.

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However, there are financial implications to such an endeavor. First, the Bank would need most, if not all, of the entire ground level of the garage for the drive-through and visitor parking. This space would be essentially non-revenue producing, unless the City or Bank paid for this space. In addition, the bank would need space on the upper levels of the facility for employee parking. This would limit the amount of structured parking available to the general public during normal business hours, and that associated revenue. Therefore the issue will be how cost effective would it be to provide structured parking in this scenario.

Site 6 ranked third on the weighted site analysis and has significant potential but also some disadvantages. Traffic patterns to and from a facility at this location will definitely impact the proposed pedestrian friendly corridor in this area. There is also an issue of access points to this location. To keep the Harding Avenue and 72<sup>nd</sup> Street area as pedestrian friendly as possible, the ingress and egress to the facility would need to be located in the Beach and/or Harding Court areas. One situation that would need to be addressed would be the ability of the visitors to locate the ingress point. Even if this is accomplished through signage or other means, there is still an issue of traffic congestion. Depending on the direction the motorist is traveling, there is a possibility that longer routes to the facility entrance can cause traffic congestion problems as well as frustrated patrons. Finally, there is the issue of the highest and best possible use for the site. Although close and convenient parking is important, it may not outweigh what is the highest and best possible use for properties involved.

### RECOMMENDATIONS

Based on the current surplus of parking and the limited need for additional parking spaces in the near future, consideration should be given to fulfilling the future parking needs requirement by utilizing strategically placed surface parking lots, along with consistent enforcement management practices. This could be the most cost effective way to achieve equitable parking for all the diverse parking entities in the North Beach Town Center area. Surface parking can be acquired in different proportions in strategic areas to serve different user groups. Surface lot parking can be acquired in those areas that have or will have inadequacies in parking.

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However, there are distinct disadvantages to securing parking in this manner. First, there is a heavy premium for acquiring not only the amount of property needed, but also the location of those sites. At first glance, surface parking appears substantially more cost effective than structured parking, roughly \$1,800 to \$2,000 per space for the cost of construction versus roughly \$10,000 to \$13,000 per space for construction of structured parking. But this is only construction cost, consideration needs to be given to other issues such as land acquisition. The cost to purchase numerous sites in desirable areas can come with a heavy price tag.

Second, and no less important, is the issue of highest and best use of the properties involved. Utilizing prime real estate for parking is usually never considered the highest and best possible use. When considering surface parking, location (or proximity to destination) is extremely important. Acquiring property for parking within an acceptable walking distance to popular destinations is usually difficult and expensive.

It has also been suggested that changing parking on some streets in the study area from parallel spaces to angled spaces, or possibly converting some streets to accommodate median parking can gain some additional parking spaces. This can be done on some streets within the study area, such as 73<sup>rd</sup> Street, but additional research will need to be done and there will be a very limited number of additional parking spaces gained from such an endeavor.

Based on the information presented in this report, serious consideration should be given to creating structured parking. Sites 2 and 5 of the weighted site analysis should be given careful consideration for possible structured parking. Both of these locations would achieve similar results:

- Close proximity to demand generators. They both would provide the desired parking to relatively the same market.
- Acceptable walking distances from the 72<sup>nd</sup> Street and Harding Avenue proposed pedestrian friendly commercial area and the 72<sup>nd</sup> Street proposed public developments.
- Ability to serve residential, business, transient and visitor parking between 73<sup>rd</sup> Street and 69<sup>th</sup> Street and from Collins Avenue to Indian Creek Drive.
- Possibility for the City to team with private enterprise for benefits of all parties.
- Able to accommodate long-term parking goals. Through acquisitions, trade, joint ventures, or a combination of various

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methods, the City has a unique opportunity to plan parking that would benefit several different facets of the community, while being responsive to the community in general.

- If the City can team with private enterprise to secure and construct parking facilities on both sites, parking for the long-term and future growth will be readily available. However, there is a possibility that this could lead to an over supply of parking in the short-term and could come at a substantial cost.

Upon careful consideration of both properties, Site 2 appears slightly more advantageous for the City for several reasons:

- Direct access to Site 2 from 71<sup>st</sup> Street. Direct access from a major thoroughfare is important to the viability of a parking facility and the City already has direct access to Site 2 from 71<sup>st</sup> Street.
- Pedestrian-vehicular conflicts can be reduced by diverting vehicles to a parking location that does not require vehicle encroachment into the pedestrian friendly corridor. Site 2 would remove vehicles from the roadway more effectively by utilizing 71<sup>st</sup> Street, which is a major east-west route in the North Beach area.
- Opportunity to expand Site 2, if needed, in the future. It appears that Site 2 may have better expandability possibilities than Site 5.
- If Site 2 can be obtained as part of a land exchange deal with the bank, the bank can then provide for its own parking at the Site 5 location and the City can construct a facility on Site 2 without having to provide a drive through or parking for the bank.
- If Site 2 can be obtained as stated above, the City could build one facility instead of possibly having to build two facilities to accommodate future growth.
- Finally, another issue to consider is the possibility to attract additional business to any proposed ground floor retail space that may be included in a structured parking facility on this site. Frontage on 71<sup>st</sup> Street would make any ground floor retail space more attractive to potential businesses.

Due to the projected public and private developments on 72<sup>nd</sup> Street, it would be advantageous for the City to be proactive and secure the properties required to expand the available parking in this area. At a minimum, acquiring strategically placed properties for parking would offset any loss in supply from the proposed developments along this street.

## MIAMI BEACH – NORTH BEACH TOWN CENTER

### SUPPLY/DEMAND AND ALTERNATIVES ANALYSIS



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#### CONCEPT DESIGNS

Due to the ambiguous nature of the locations on Site 2 and Site 5, and undefined parcels, it is difficult to prepare a concept design for each site. However, given the known location of the City and bank owned properties on each block and making some assumptions, we were able to envision the type of parking structure that could be placed on each site.

If Site 5 is a reversed L shaped parcel that is roughly 120' by 100' along side a 120' by 200' area with a ground floor bank drive-through, then we can contemplate a parking structure that would require about 6 supported levels. This would produce approximately 650 total parking spaces. The following is a conceptual view of the parcel layout and concept design.



# MIAMI BEACH - NORTH BEACH TOWN CENTER

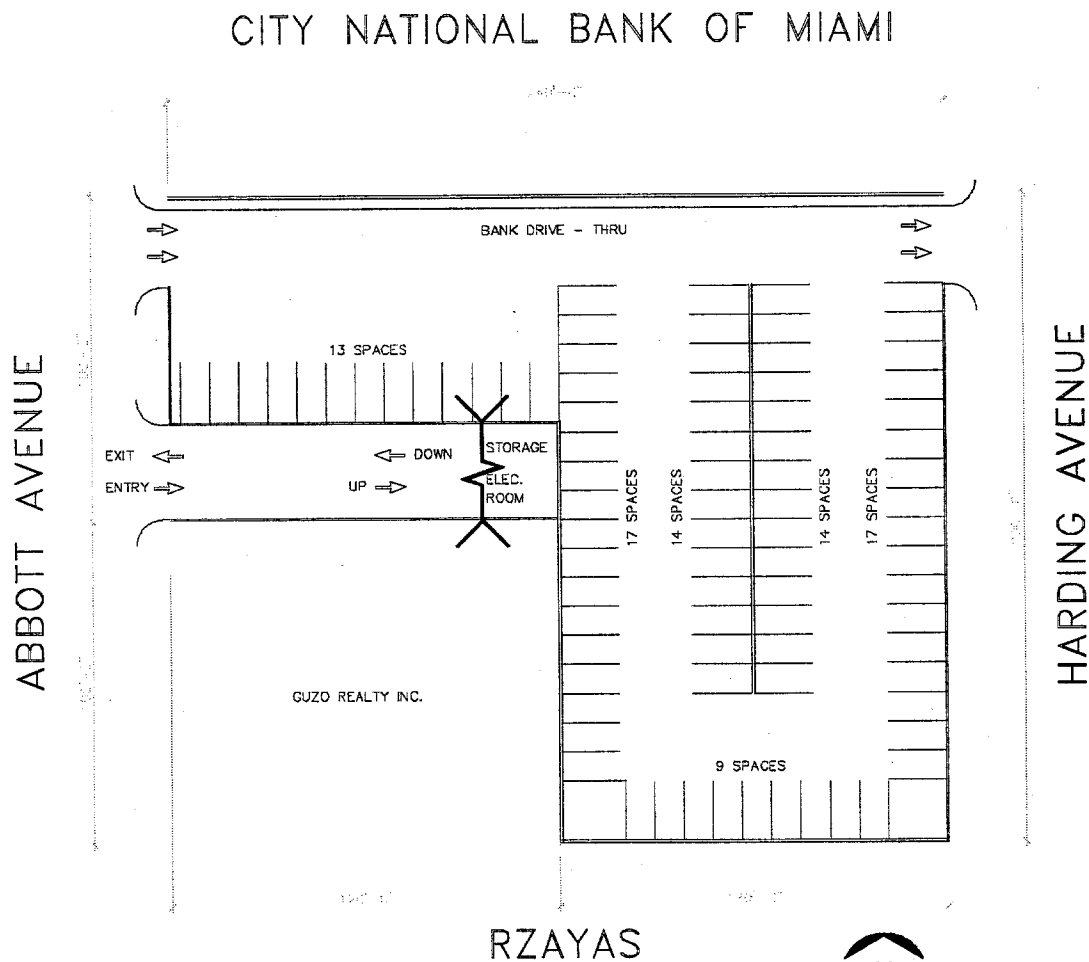
SUPPLY/DEMAND AND ALTERNATIVES ANALYSIS



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FIGURE 1: SITE 5 - GROUND LEVEL PLAN



7TH LEVEL	82 SPACES
6TH LEVEL	82 SPACES
5TH LEVEL	82 SPACES
4TH LEVEL	82 SPACES
3RD LEVEL	82 SPACES
2ND LEVEL	82 SPACES
GROUND LEVEL	84 SPACES
<b>TOTAL</b>	<b>576 SPACES</b>



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ES-0003840

SITE 5 MIAMI BEACH  
PARKING STUDY  
MIAMI BEACH, FLORIDA

Title: GROUND LEVEL PLAN

Job No: 15-1444.00

Date: 01-09-02

No.  
**3**

# MIAMI BEACH - NORTH BEACH TOWN CENTER

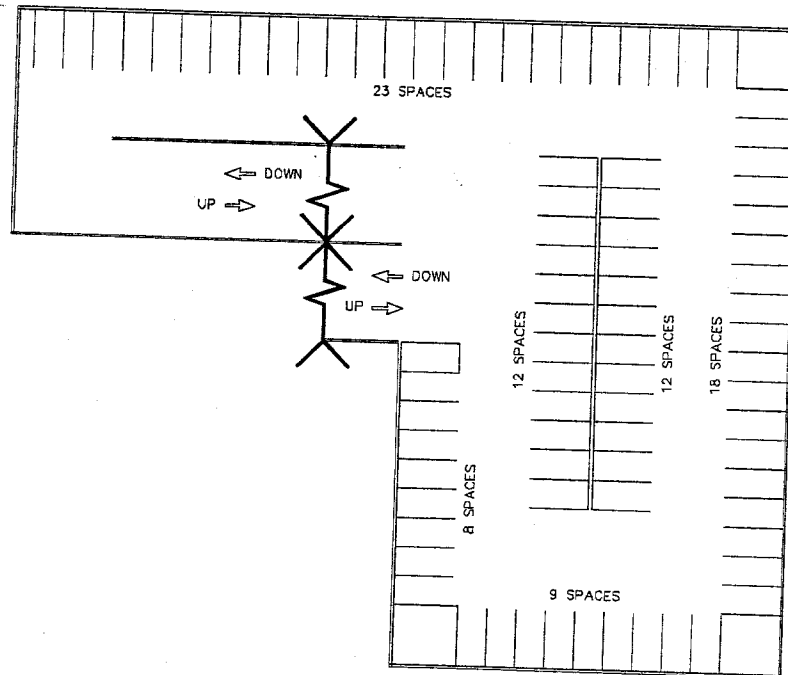
SUPPLY/DEMAND AND ALTERNATIVES ANALYSIS

FEBRUARY 6, 2004



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FIGURE 2: SITE 5 - TYPICAL LEVEL PLAN



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ED-0023940

SITE 5 MIAMI BEACH  
PARKING STUDY  
MIAMI BEACH, FLORIDA

Title: TYPICAL LEVEL PLAN  
Job No: 15-1444.00  
Date: 01-09-02

No. **4**

## MIAMI BEACH - NORTH BEACH TOWN CENTER

### SUPPLY/DEMAND AND ALTERNATIVES ANALYSIS



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We envision Site 2 to be somewhat different in terms of physical layout. If Site 2 is roughly 120' by 350' and 120' by 250' with a 100' offset on each end with ground floor retail, then the parking structure could be 4 supported levels. This would produce approximately 670 total parking spaces. The following is a conceptual view of the parcel layout and concept design.

# MIAMI BEACH - NORTH BEACH TOWN CENTER

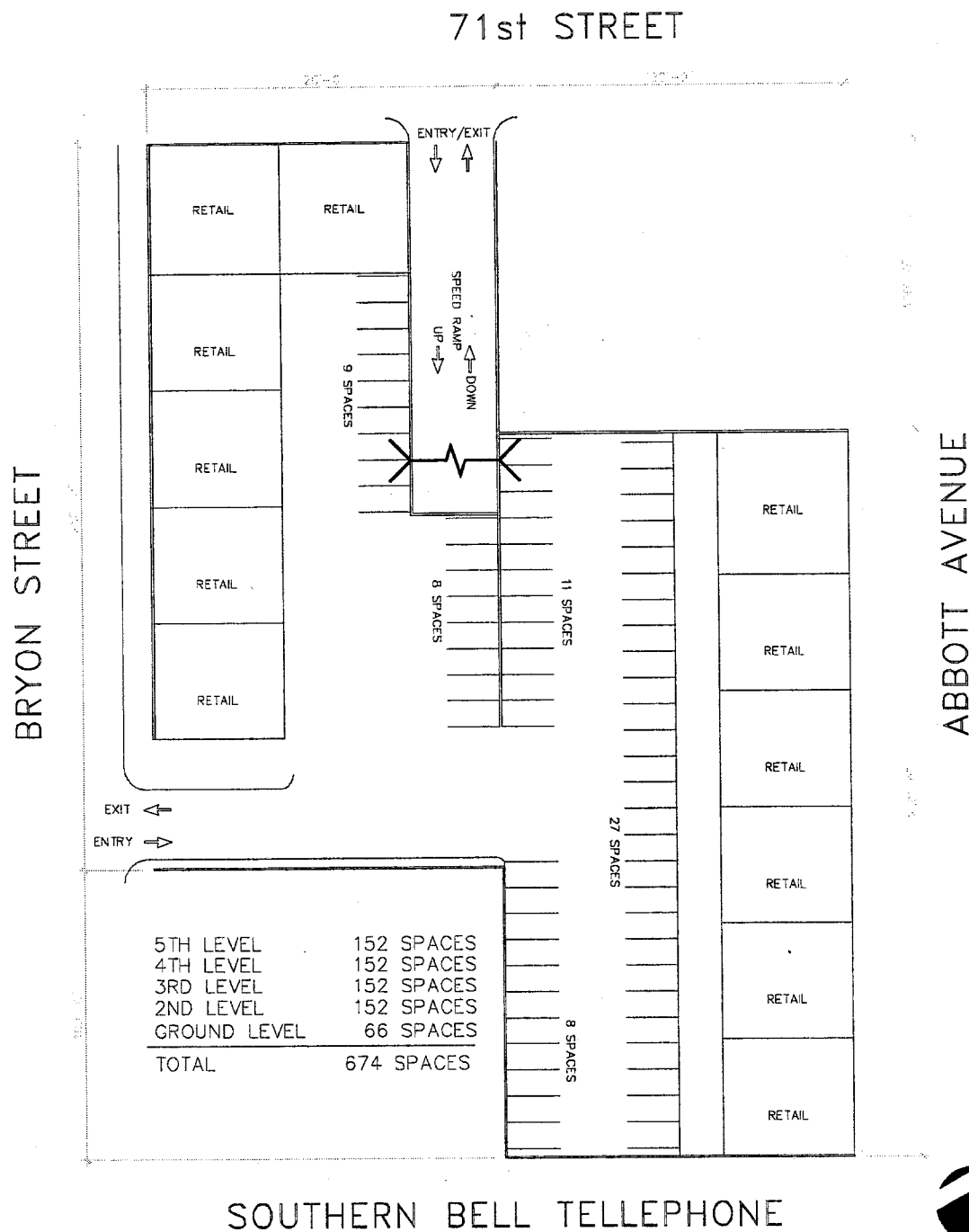
## SUPPLY/DEMAND AND ALTERNATIVES ANALYSIS



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FIGURE 3: SITE 2 - GROUND LEVEL



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SITE 2 MIAMI BEACH  
PARKING STUDY  
MIAMI BEACH, FLORIDA

Title: GROUND LEVEL  
Job No: 15-1444.00  
Date: 01-09-02

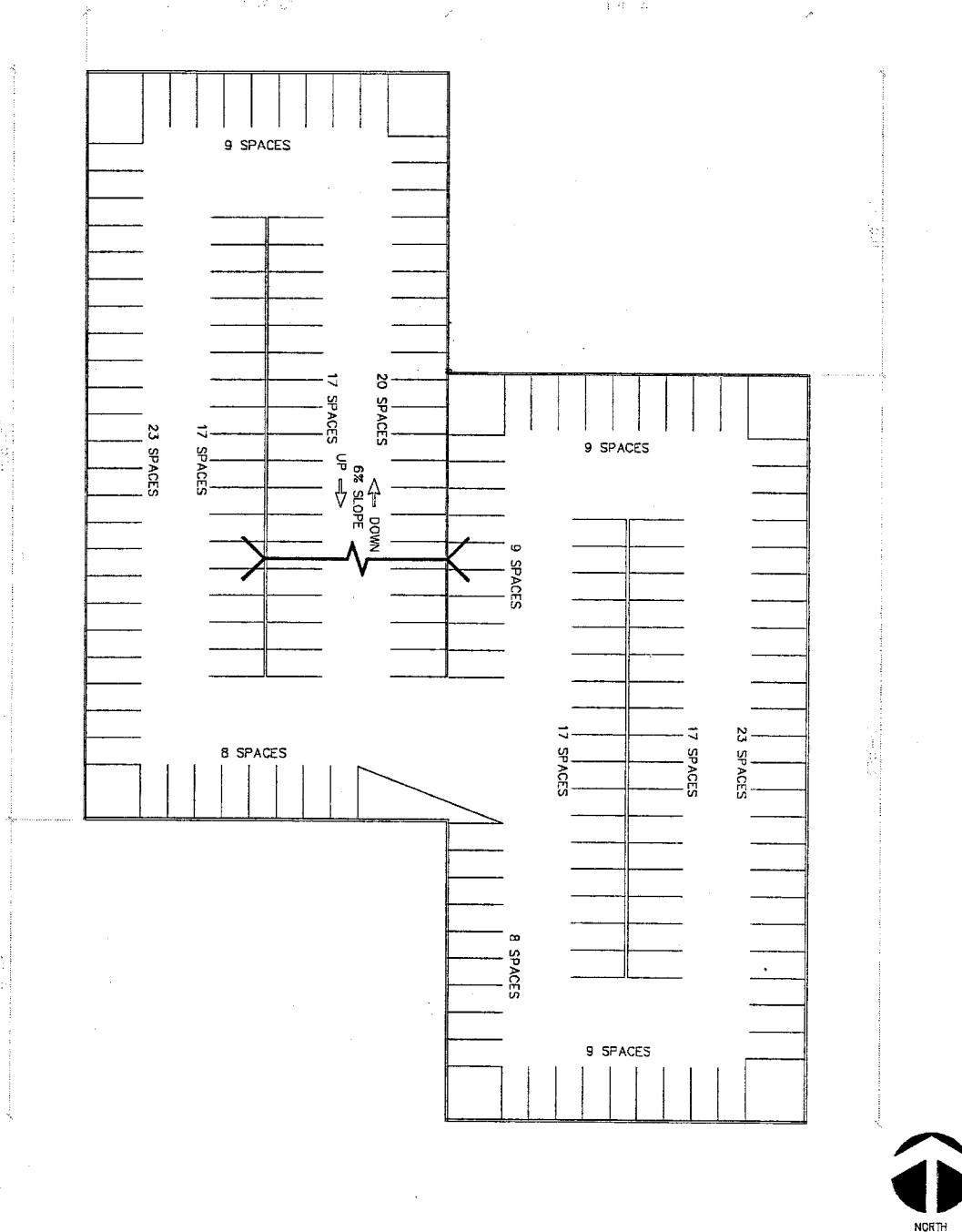
No.  
**1**

**MIAMI BEACH – NORTH BEACH TOWN CENTER**  
SUPPLY/DEMAND AND ALTERNATIVES ANALYSIS



FEBRUARY 6, 2004

FIGURE 4: SITE 2 – TYPICAL LEVEL PLAN



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EB-0003840

SITE 2 MIAMI BEACH  
PARKING STUDY  
MIAMI BEACH, FLORIDA

Title: TYPICAL LEVEL PLAN  
Job No: 15-1444.00  
Date: 01-09-02



No.  
**2**

## MIAMI BEACH - NORTH BEACH TOWN CENTER

### SUPPLY/DEMAND AND ALTERNATIVES ANALYSIS

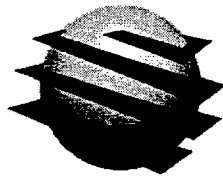


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FEBRUARY 6, 2004

Again, these are only preliminary concept designs and will most likely change before a final design is chosen. Further, we have not taken into consideration such items as code requirement and actual land acquisition. Either or both of these items can have a dramatic effect on the final concept design.

Based on the above stated information and Walker's recent experience in the City of Miami Beach, the anticipated construction cost on either Site 2 or Site 5 should be in the range of \$10,000 to \$13,000 per space. This is an estimate of construction costs only. Other items such as land acquisition, design and consulting fees, architectural features, and other soft costs have not been considered in this analysis.



ALTERNATIVES  
ANALYSIS

ADDITIONAL  
ALTERNATIVES

## **CITY OF MIAMI BEACH PARKING STUDY**

### **ALTERNATIVES ANALYSIS – ADDITIONAL ALTERNATIVES**

FEBRUARY 6, 2004



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## **INTRODUCTION**

Convenient, short-term, on-street parking for patrons and visitors of the commercial areas of Miami Beach is considered in short supply by many consumers and businesses. The proposed developments and general growth of the city will only add to the perception of a parking shortage. As one of several steps required to alleviate the growing concern of a parking shortage, the city has requested that Walker perform a parking alternative analysis.

An alternatives analysis identifies and studies options for expanding the physical parking supply when parking shortages have been indicated or projected. These alternatives are developed conceptually and weighted against a set of criteria or values. Values are weighted according to relative importance and alternatives are scored against the criteria field. The end result of the analysis is a recommendation for adding new parking supply to the area that will be user-friendly, cost-effective, and strategically introduced to proactively correct anticipated parking problems. The following section outlines the alternatives developed to improve parking conditions, both present and future, for the City of Miami Beach.

To better understand values within the parking community, Walker attended several public meetings and received input from business owners, employees, residents, city officials and consultants. Walker used the information provided by all groups to help formulate the methodology and evaluate the results of the alternatives analysis.

City staff representatives were instrumental in determining the alternative parking sites considered in this analysis. Specifically, with the help of numerous individuals and city officials, the city staff provided thirty possible sites to expand the city's off-street parking. The potential parking sites evaluated include sites both in and/or near areas of the city that are projected to have significant parking issues now and/or in the future.

In the parking supply and demand section of this report, we identified future potential parking shortages in eight of the eleven study areas. Based on the parking supply and demand analysis, it would appear that the most pressing need for parking is in the Lincoln Road and Ocean Drive study areas. However there is projected to be a significant need for additional parking in the Middle Hotel, North Beach and South Pointe areas as well.

## **ALTERNATIVES ANALYSIS**

### **ADDITIONAL ALTERNATIVES**



# CITY OF MIAMI BEACH PARKING STUDY

## ALTERNATIVES ANALYSIS – ADDITIONAL ALTERNATIVES



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### DESCRIPTION OF ALTERNATIVES

With the assistance of the city staff and city officials, Walker identified thirty possible parking sites that may offer opportunities to gain additional parking and satisfy existing and projected parking shortages.

In an effort to objectively evaluate each potential site, City officials were asked to rate each site on selected issues including but not limited to:

- Location;
- Best use of property;
- Neighborhood concerns;
- Travel distance (level of service);
- Project cost;
- Ownership cost (ease of purchase);
- Aesthetics;
- Visibility of site;
- Potential for mixed use parking;
- Environmental impacts;
- Traffic implications;
- Safety;
- Future versatility;
- Zoning; and,
- Temporary parking.

A weighted score was then produced for each site. A copy of the weighted matrix developed during this alternatives site analysis can be found in Alternatives Appendix of this report.

The sites evaluated by the weighted site analysis are listed below:

- 87 St. – 87 Terrace, 226 87<sup>th</sup> Terrace (former Driver License Station/Dezerland Use), Altos del Mar;
- 86 – 87 Street, Property north lot of Altos del Mar West; 86<sup>th</sup> to 87<sup>th</sup> Street between Collins and Harding Avenue, Altos del Mar;
- ADM – South Lot, South lot of Altos del Mar West, 79<sup>th</sup> – 80<sup>th</sup> Streets Between Collins and Harding Avenue, Alto del Mar;
- 1960 Normandy Drive, Normandy Isle West;
- 2124 Verdun Drive, Normandy Isle West;
- 1760 71<sup>st</sup> Street, Normandy Isle West;
- 1025 71<sup>st</sup> Street; 1025, 1047, 1053, 1101, 1109-71 Street, and 946 Normandy Drive (Wasserstein – Washington

# CITY OF MIAMI BEACH PARKING STUDY

## ALTERNATIVES ANALYSIS – ADDITIONAL ALTERNATIVES



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Mutual drivethru and existing municipal lot), Normandy Isle East;

- 1144 Marseilles Drive, Sweyze Lot, Normandy Isle East;
- 6850 Bay Drive, Normandy Isle East;
- 6396 Collins, 6396 Collins Avenue (6382 & 6372), North Hotel;
- 6615 Indian Creek, 6615 and 6625 Indian Creek Drive, North Hotel;
- 6600 Collins, 6600 Collins Avenue, Out of study area;
- 4621 Collins, 4621 Collins Avenue (46<sup>th</sup> Street and Collins Avenue municipal lot), Middle Beach;
- 23<sup>rd</sup> Street, 23<sup>rd</sup> Street between Liberty and Collins Avenue (owned by Rooney Palace), Middle Hotel;
- 1668 Collins, 1668, 1670, and 1676 Collins Avenue (James lot between Lincoln Road and 17<sup>th</sup> Street), Middle Hotel;
- City Hall Exp, City Hall Expansion, Lincoln Road;
- P – Lot, Lincoln Road;
- TOPA Lot, Lincoln Road;
- 17<sup>th</sup> St. Surface Lots, Lincoln Road, Lincoln Road;
- Sun Trust Lot, SunTrust Lot (Ucello) and City Municipal Lot (10A)
- Cejas Lot, 16<sup>th</sup> street and Drexel, Lincoln Road;
- 1231-17<sup>th</sup> St, 1231, 1251 – 17<sup>th</sup> Street (Housing Authority lot), West Avenue/Sunset Harbour;
- 1833 Bay Rd, 1833 – 37 Bay Road (Miller-Rosenthal lot), West Avenue/Sunset Harbour;
- 13<sup>th</sup> & Collins, 13<sup>th</sup> & Collins municipal lot, Ocean Drive;
- Potamkin Lot, 5<sup>th</sup> to 6<sup>th</sup> Streets between Alton and Lenox, South Pointe;
- Portofino Lot, South Pointe Drive to Commerce between Washington Avenue and Alton Road, South Pointe;
- Pier Parking Lot, Pier Park Municipal Lot (1A), South Pointe;
- Portofino Lots, South Pointe Drive to First Street between Collins Avenue and Ocean Drive, South Pointe; and,
- Palms 30<sup>th</sup> St Lot, Middle Hotel.

# CITY OF MIAMI BEACH PARKING STUDY

## ALTERNATIVES ANALYSIS – ADDITIONAL ALTERNATIVES



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According to the weighted site evaluations, the top five sites were as follows:

1. The P – Lot site, in the Lincoln Road study area. This site rated 4.14 out of a possible 5.0 on the weighted parking alternatives analysis. However, this site is currently being researched by the city staff for development as a parking structure and therefore will not be utilized in this study as a potential future alternative parking site.
2. The City Hall parking expansion site, just outside the Lincoln Road study area, ranked second with a weighted score of 4.11. The city is in the process of preparing a request for proposal for developing a parking structure on this site, therefore, this site will not be considered in this study as a potential future alternative parking site.
3. The 6600 Collins site, which includes 6600, 6574 Collins Avenues and 6561 Indian Creek Drive, ranked third on the weighted analysis with a score of 4.08. With the exclusion of the P-Lot and City Hall parking expansion sites, the 6600 Collins site should be considered the highest ranked site. This site, however, is not in any of the project study areas. It was established by the city staff, with the help of city officials, as a possible alternative parking location that will help meet the parking needs of the community in the northern area of Miami Beach.
4. The 17<sup>th</sup> Street surface parking lot, in the Lincoln Road study area, ranked fourth with a weighted score of 3.86. Again, this site is already being considered by the city as an alternative parking location and therefore will not be considered in this study as a potential future alternative parking site.
5. The 1960 Normandy site, in the Normandy Isle West study area, ranked fifth on the weighted parking analysis with a score of 3.77. However, the current and projected parking demand in this area shows only a small parking deficit. These parking deficits are not significant enough to justify the construction of a public parking structure. The parking deficit in this area can be handled through other means, such as, additional off-street surface parking, reconfiguration of off-street surface parking, possible additional or reconfigured on-street

## CITY OF MIAMI BEACH PARKING STUDY

### ALTERNATIVES ANALYSIS – ADDITIONAL ALTERNATIVES



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parking, and/or possibly some sort of public/private partnership to provide additional parking.

The 6600 Collins Avenue site is not within the initial study areas; however, the scope of the study contemplates identifying sites that may be situated between study area and serve either a need within that area or its abutting study areas. Upon reviewing the North Beach Town Center (69<sup>th</sup> Street to 75<sup>th</sup> Street) area and the North Hotel area (42<sup>nd</sup> Street to 63<sup>rd</sup> Street), the 6600 Collins Avenue site was identified as a site that met the aforementioned criteria.

Many historically and architecturally significant hotels and condominiums in the area have renovation projects in planning, design or construction. These include the Monte Carlo Hotel, the Sherry Frontenac Hotel, the Brazil Hotel, the Deauville Hotel, and the Carillon. These renovations will create additional parking demand and deficits. It should be noted that since the study was initiated, renovations and development in the area has accelerated.

There is a scarcity of available land and land acquisitions for parking are cost prohibitive. Therefore, it is advantageous for the city to leverage its capital funding by joint venturing with the private sector wherever possible in order to: 1) maximize funding in order to address parking demand citywide; and, 2) realize the highest and best use of a property is typically a mixed-use development providing additional parking spaces above what is required for public use.

It is important to keep a consistent and justifiable level of investment in parking facilities throughout the entire city. The Ocean Drive, Lincoln Road, Middle Hotel, South Pointe study areas (all located within South or Middle Beach) and the North Beach area reflect either current or future deficits in parking. In an effort to maintain an equitable distribution of city resources to sustain development in all areas, development in the North Beach is appropriate when considering the aforementioned growth.

After a review of the remaining potential alternative parking locations and their weighted scores, the city determined that it would be advantageous to proceed with concept designs for the 23<sup>rd</sup> Street site. The 23<sup>rd</sup> Street site is located on 23<sup>rd</sup> Street between Liberty and Collins Avenue (owned by Rooney Palace), in the Middle Hotel study area. This site received a score of 3.50 on the weighted parking alternative analysis.



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The City's Cultural Campus corridor (general vicinity of 23<sup>rd</sup> Street and Collins Avenue) is posturing itself to be one of the city's most explosive growth areas in terms of cultural venues, high end hotels, and restaurants.

There is a scarcity of available land and land acquisitions for parking are cost prohibitive. Therefore, it is advantageous for the city to leverage its capital funding by joint venturing with the private sector wherever possible in order to: 1) maximize funding in order to address parking demand citywide; and, 2) realize the highest and best use of property is typically a mixed-use development providing additional parking spaces above what is required for public use.

The 23<sup>rd</sup> Street site is within the Middle Beach study area. This site does not rank in the top five sites on the weighted site analysis; however, the following two factors raised awareness to this site: 1) the owner's willingness to joint venture with the city; and, 2) the site's proximity to cultural and tourist venues.

Major hotels and condominiums in the area are currently being renovated. These renovations will create additional parking demand and deficit.

Finally, it is important to develop a consistent and justifiable level of investment in parking facilities throughout the entire city. The Ocean Drive, Lincoln Road, and South Pointe study areas reflect either current or future deficits in parking. In an effort to maintain an equitable distribution of city resources to sustain development in all areas, development in the South/Middle Beach is appropriate when considering the aforementioned growth.

### ALTERNATIVES ASSESSMENT

#### **6600 COLLINS AVENUE SITE**

The 6600 Collins Avenue site (which includes 6600 Collins Avenue, 6574 Collins Avenue, and 6561 Indian Creek Drive) ranked high in ten of the fifteen categories on the weighted parking alternatives analysis. Following are the reasons for the high ranking of this site:

- It was considered excellent by the evaluation staff in terms of location to serve the community in the northern area of the city.

## CITY OF MIAMI BEACH PARKING STUDY

### ALTERNATIVES ANALYSIS – ADDITIONAL ALTERNATIVES



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FEBRUARY 6, 2004

- It was also considered as one of the better uses for the property and neighborhood concerns were considered minimal.
- It was evaluated to be within acceptable walking distances to the final destination of potential parking patrons of the area.
- The evaluation team believed that the aesthetics of having a parking structure at this location would not be detrimental to the project.
- The site appears to have good visibility to attract potential parkers. The facility is anticipated to have ingress and egress on both Collins Avenue and Indian Creek Drive, both major north/south thoroughfares.
- It also rated favorably in terms of the possibility for a mixed-use facility, with possible office and residential uses.
- The evaluation team did not feel there were any significant environmental impacts of having a parking structure at this location.
- The sites size is ample to construct a facility that can be enlarged in the future if and when necessary.
- Because only part of the site is presently used for parking, temporary parking during construction should cause minimal issues.

There are, however, several concerns about the site. Among them are:

- The city does not own this site and therefore obtaining the parcels may present a problem.
- The project costs are also a concern; the combination of construction costs and land acquisition may affect the viability of this location.
- There could be traffic implications placing a garage with retail on this site. The ingress and egress for this site will be off both Collins Avenue and Indian Creek Drive. These are major north/south thoroughfares.



FEBRUARY 6, 2004

### *2322 AND 2340 COLLINS AVENUE (ROONEY SITE)*

The Rooney Site (which includes 2322 and 2340 Collins Avenue) ranked in the middle on the weighted parking alternatives analysis. It did, however, rank high for both location and best use of property. This site rank well for the following reasons:

- It was considered excellent by the evaluation staff in terms of location to serve the community needs of the city.
- It was also considered as one of the better uses for the property and neighborhood concerns were considered to be minimal.
- It was considered to be within acceptable walking distances to the final destination of potential parking patrons of the area.
- The evaluation team believed that the aesthetics of having a parking structure at this location would not be detrimental to the project.
- The site appears to have good visibility to attract potential parkers. The facility is anticipated to have ingress and egress on Collins Avenue, a major north/south thoroughfare.
- It also rated favorably in terms of the possibility for a mixed-use facility, with commercial spaces and possibly office or residential space.
- The evaluation team did not feel there were any significant environmental impacts of having a parking structure at this location.
- There were no major safety concerns with a parking facility at this location.
- The evaluation staff concluded that there would be some future versatility associated with a parking facility on this site. The evaluation staff feels that the facility could possibly be expanded horizontally if necessary.

There are, however, several concerns about the site. Among them are:

## CITY OF MIAMI BEACH PARKING STUDY

### ALTERNATIVES ANALYSIS – ADDITIONAL ALTERNATIVES



**WALKER**  
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FEBRUARY 6, 2004

- The city does not own this site and therefore obtaining the land parcels may present a problem.
- The project costs are also a concern; the combination of construction costs and land acquisition may affect the viability of this location.
- There could be some traffic implications placing a garage with retail on this site. The ingress and egress for this site will be off Collins Avenue, a major thoroughfare.

### CONCEPT DESIGNS

Based on the information available about the 6600 Collins Site, Walker, with the help of city staff, has developed the following concept design. We envision a four-level parking structure above a 34,500± square foot retail center. The parking structure is anticipated to have approximately 100 spaces per level, resulting in approximately 400 total parking spaces. The ingress and egress for the parking facility is anticipated to be from both Collins Avenue and Indian Creek Drive. Truck access to the retail space loading dock(s) is anticipated to be off of Indian Creek Drive. It is anticipated that a portion of the historic building on Collins Avenue will be preserved and used as commercial space. Also, additional retail space is being considered for the land adjacent to the historic building on Collins Avenue. The combined commercial space of the historic building and additional retail space is approximately 10,000 square feet. This is in addition to the 34,500± square foot retail center under the parking structure. The following concept design has been incorporated to give the reader a general idea of the possible configuration of the parking structure and site layout. The concept design will be used as the basis to project operating expenses and project development costs. However, this is only a concept design and therefore the actual design and resultant costs are expected to change with final design.



**FIGURE 1:  
6600 COLLINS AVENUE  
SITE PLAN**

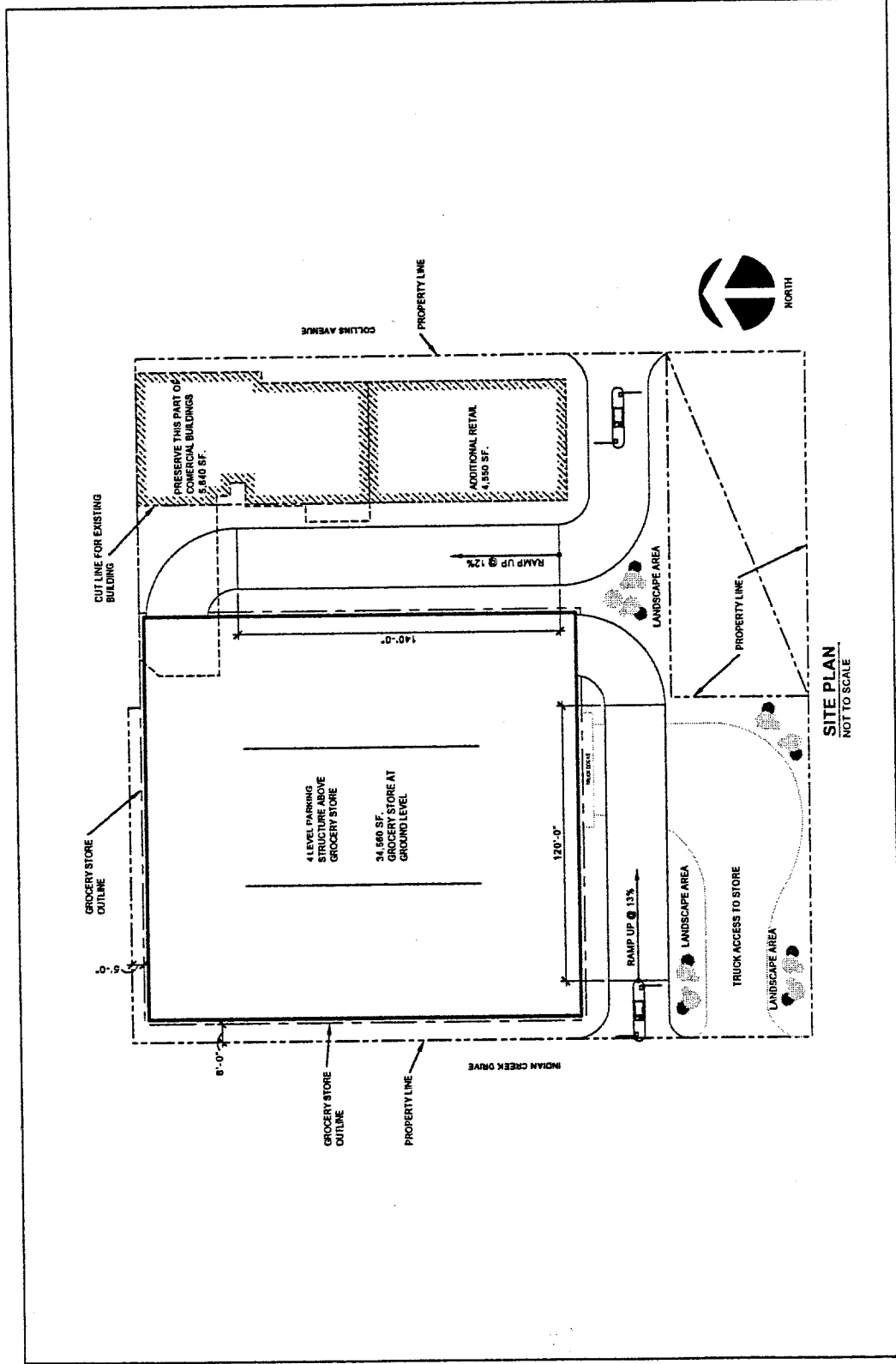
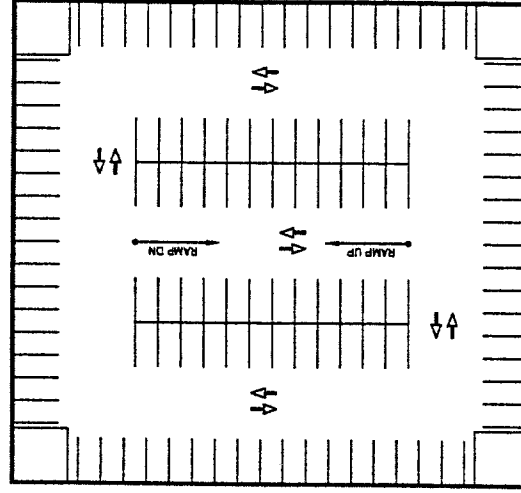


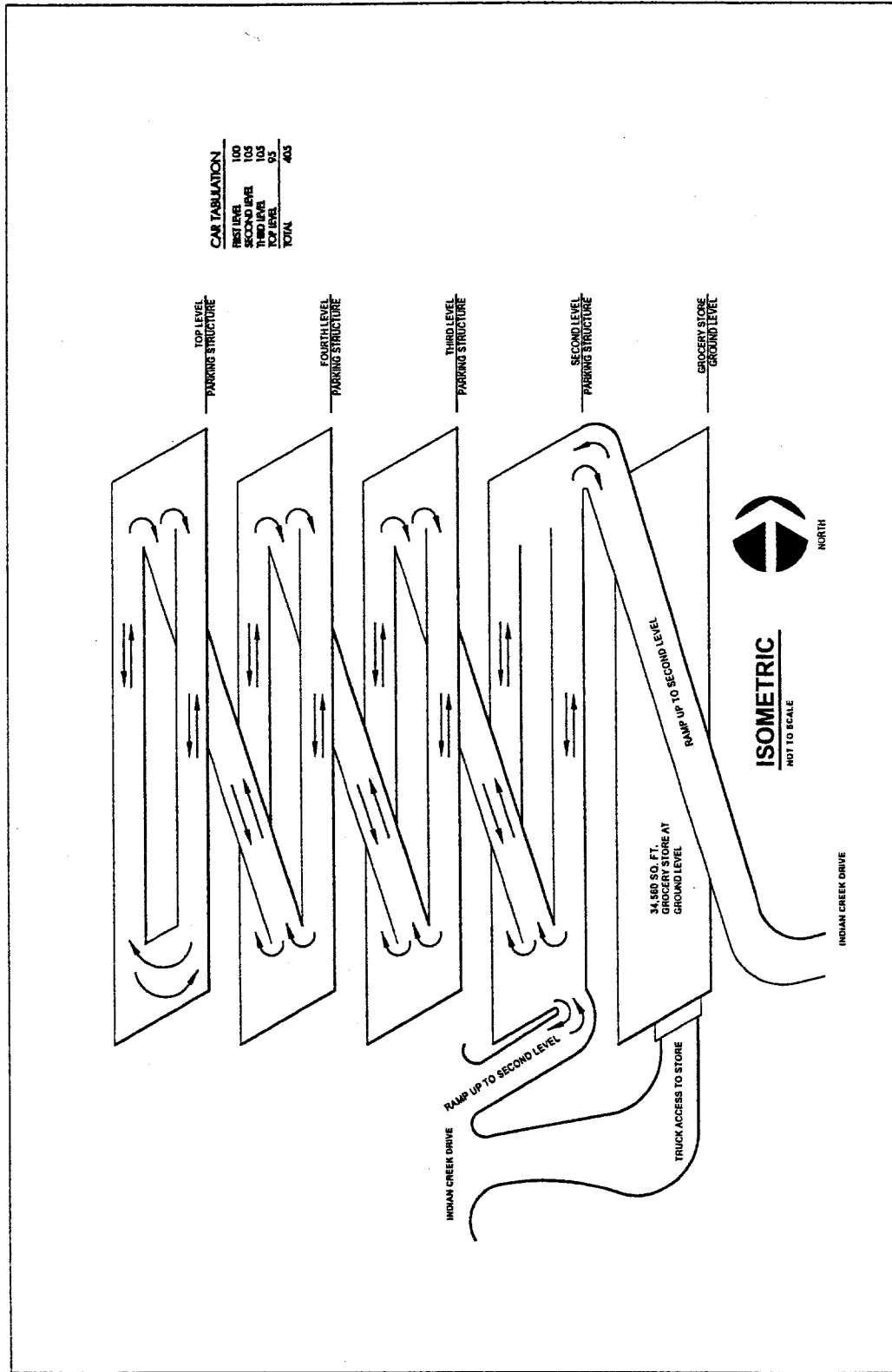
FIGURE 3:  
6600 COLLINS AVENUE  
TYPICAL LEVEL PLAN



**TYPICAL LEVEL PLAN**  
NOT TO SCALE

 NORTH

FIGURE 2:  
6600 COLLINS AVENUE  
ISOMETRIC



## **CITY OF MIAMI BEACH PARKING STUDY**

### **ALTERNATIVES ANALYSIS – ADDITIONAL ALTERNATIVES**

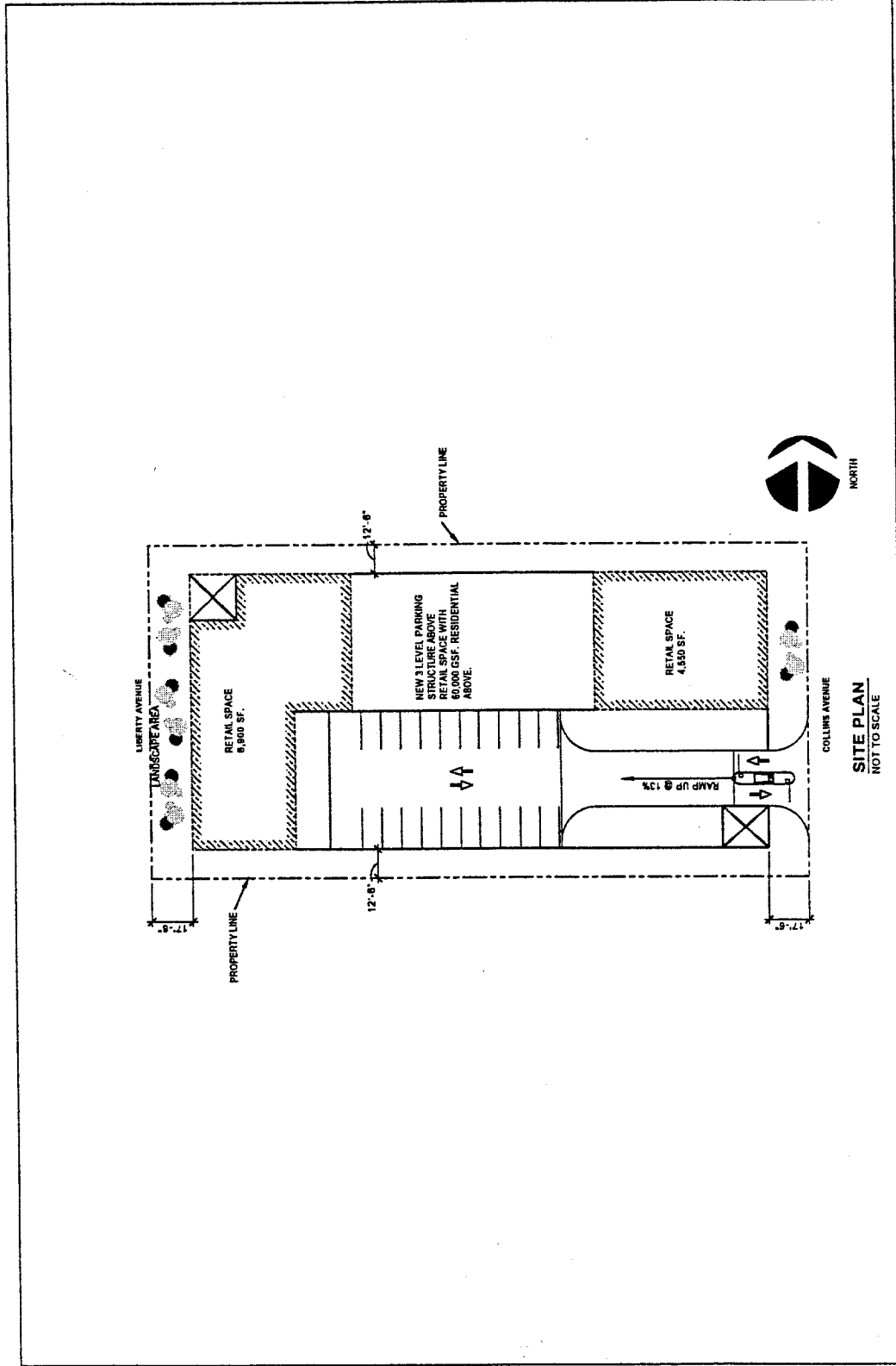


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FEBRUARY 6, 2004

Based on the information available about the Avis Site, Walker, with the help of the city staff, has developed the following concept design. We envision a three-level parking structure above approximately 11,400 square feet of ground level retail space. Above the parking structure we have assumed two levels of residential units totaling approximately 60,000 square feet. The parking structure is anticipated to have approximately 250 total parking spaces. The ingress and egress for the parking facility is anticipated to be from Collins Avenue. The following concept design has been incorporated to give the reader a general understanding of the possible configuration of the parking structure and site layout. The concept design will be used as the basis to project operating expenses and project development costs. However, this is only a concept design and therefore the actual design and resultant costs are expected to change with final design.

**FIGURE 4:**  
**2322 AND 2340 COLLINS**  
**AVENUE SITE (ROONEY SITE)**  
**SITE PLAN**



**FIGURE 5:**  
**2322 AND 2340 COLLINS**  
**AVENUE SITE (ROONEY SITE)**  
**ISOMETRIC**

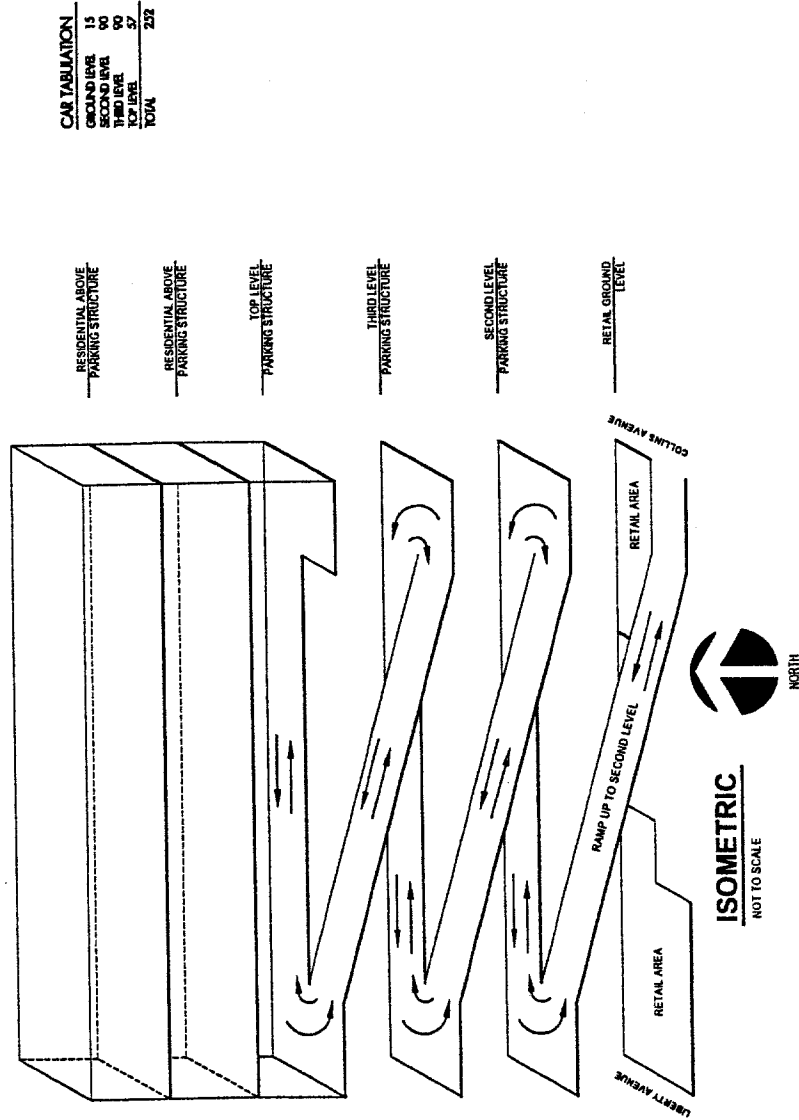
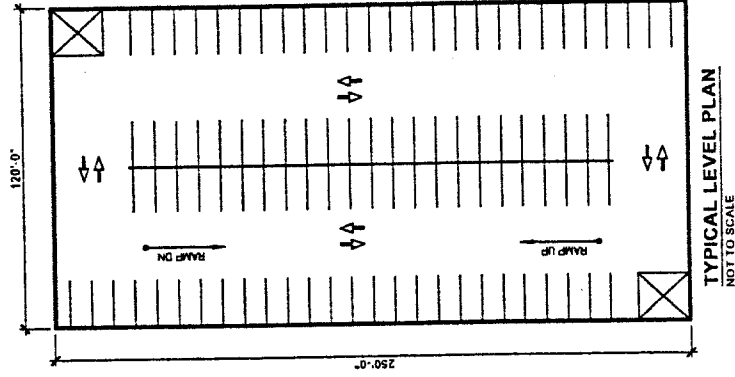


FIGURE 6:  
2322 AND 2340 COLLINS  
AVENUE SITE (ROONEY SITE)  
TYPICAL LEVEL PLAN



**WALKER PARKING  
ALTERNATIVE ANALYSIS  
& FINANCIAL FEASIBILITY ANALYSIS**

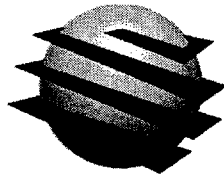
**EXHIBIT “B”**

**(FINANCIAL FEASIBILITY  
ANALYSIS)**

**JOINT FINANCE AND CITYWIDE  
PROJECTS AND  
LAND USE COMMITTEES**

**DECEMBER 14, 2004**





# FINANCIAL ANALYSIS

NORTH BEACH  
TOWN CENTER

# CITY OF MIAMI BEACH PARKING STUDY

## FINANCIAL ANALYSIS – NORTH BEACH TOWN CENTER

FEBRUARY 6, 2004



**WALKER**  
PARKING CONSULTANTS

### BACKGROUND

The following section of the report analyzes the projected financial performance of a potential 674-space parking structure located south of 71<sup>st</sup> Street between Byron and Abbot Avenues beginning in calendar year 2004 and extending through the end of 2008. The financial analysis utilizes financial and statistical information provided by the City. The data provided by the City has not been verified by Walker, but is assumed to be accurate.

The financial information from existing city-owned parking facilities provided by the City, along with the supply/demand data collected by the Corradino Group, was used in development of the financial model for this project.

### RATE SCHEDULE SURVEY

A parking rate schedule was produced using a simple average of the rate schedules for the city-owned facilities. The city's parking department provided the rate schedule. A weighted average was not necessary because the parking rate schedules provided were similar, or will be similar in the near future. According to the information provided from the City, after completion of the renovations of the 12<sup>th</sup> & 13<sup>th</sup> Street Garages the rate schedules for these facilities will be similar to the other city owned parking facilities, \$1.00 an hour including sales tax with an \$8.00 maximum for a twenty four hour period and \$60.00 plus 6.5% sales tax for monthly parking. The following table summarizes the results of the parking rate survey.

Table 1: Average Parking Rates

SCHEDULE	PARKING
1 hour	\$1.00
2 hours	\$2.00
3 hours	\$3.00
4 hours	\$4.00
5 hours	\$5.00
6 hours	\$6.00
7 hours	\$7.00
8 hours	\$8.00
9 hours	\$8.17
10 hours	\$8.33
11 hours	\$8.50
12 hours	\$8.67
13 hours	\$8.83
14 hours	\$9.00
Hold Tickets	\$17.95
Monthly	\$66.56

Source: City of Miami Beach, 2001

### FINANCIAL ANALYSIS

#### NORTH BEACH TOWN CENTER

# CITY OF MIAMI BEACH PARKING STUDY

## FINANCIAL ANALYSIS – NORTH BEACH TOWN CENTER



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### RATE STRUCTURE

Operating revenues will come from transient parkers and monthly contract parkers. The rate structure analysis for this project considered inflation, comparable properties, intended parking management strategies, and user groups. The recommendations are presented in the following table.

Table 2: Recommended Parking Rate Structure

<u>SCHEDULE</u>	<u>PARKING FEE</u>
1 hour	\$1.25
2 hours	\$1.50
3 hours	\$3.00
4 hours	\$4.50
5 hours	\$5.50
6 hours	\$6.50
7 hours	\$7.50
8 hours	\$8.50
9 hours	\$10.00
10 hours	\$12.00
11 hours	\$14.00
12 hours	\$16.00
13 hours	\$18.00
14 - 24 hours	\$18.00
Monthly	\$70.00

Source: Walker Parking Consultants, 2001

### PARKING PATRON DISTRIBUTION

Using the data provided by the City, Walker has projected the distribution of parking patrons according to their length of stay. The following table represents the breakdown of parking patrons by length of stay.

# CITY OF MIAMI BEACH PARKING STUDY

## FINANCIAL ANALYSIS – NORTH BEACH TOWN CENTER

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**Table 3: Parking Patron Distribution by Length of Stay**

up to 1 hour	18.22%
up to 2 hours	23.32%
up to 3 hours	16.42%
up to 4 hours	10.44%
up to 5 hours	9.54%
up to 6 hours	5.51%
up to 7 hours	2.42%
up to 8 hours	8.60%
up to 9 hours	0.30%
up to 10 hours	2.42%
up to 11 hours	0.25%
up to 12 hours	0.13%
up to 13 hours	0.08%
14 - 24 hours	0.55%
Holds	1.81%

*Source: City of Miami Beach and Walker Parking Consultants, 2001*

### OPERATING REVENUES

The following parking revenue model projects the annual base revenues generated in 2004 at the Site 2 location. Revenues are based on a 674-space facility, without any lease-up adjustments. All necessary adjustments are addressed in the Financial Analysis Assumptions portion of the report. The analysis examines annual revenues derived by transient and monthly contract parking patrons. Because this is a preliminary analysis based only on concept designs and because land parcels have not yet been determined with clarity, the analysis does not include any revenues from other sources such as retail or commercial space. This model is designed to reflect the annual parking revenues generated by the proposed facility during 365 days of operation. It was assumed that the facility would continue to operate 24 hours a day, Monday through Saturday.

Adjustments were made to the revenue model to reflect the availability of contract parking spaces both during the weekdays and weekends. Simply stated, those contract parking spaces that are projected to be available at certain time during the day will be utilized as transient parking spaces.

Based on information provided by the City, a vehicle turnover ratio of 2.04 turns per day was projected for this analysis. The 2.04 turn ratio represents the average number of vehicle turns per day spread over eleven months and was weighted by the number of spaces in each facility. The information provided by the City was cumulative for the

## CITY OF MIAMI BEACH PARKING STUDY

### FINANCIAL ANALYSIS – NORTH BEACH TOWN CENTER



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eleven months of available data and could not be broken out by days. Therefore, an average daily turn ratio was applied to the average yearly available transient parking spaces. Weekday turns are anticipated to be higher than weekend turns.

By using the ticket duration reports provided by the City, Walker projected the percent of patrons that may use the subject garage according to their length of stay. As stated in the following table, it is anticipated that on an annual basis, approximately 250,000 transient vehicles will park at the new facility once the facility has reached its capacity potential.

A weighted average was produced for all tickets that were over 14 hours old (hold tickets). A listing of hold tickets by rate provided by the City showed that the average hold ticket was \$17.95. This rate was then increased by an inflation factor of 3 percent a year and applied to all projected hold tickets. The hold tickets are estimated to account for 6.22 percent of all transient revenue, while being only 1.81 percent of the patrons.

Monthly contract parking in the projected facility was estimated to be sold at 50 percent of the available spaces. An oversell factor of ten percent (of the total available spaces) was utilized by increasing the number of sold contract parking spaces to 60 percent in the revenue projection model in the following table. This allows for more efficient use of the contract parking spaces, because not every contract parking space will be utilized at the same time. Furthermore, an oversell factor of ten percent is common and accepted in the parking industry.

# CITY OF MIAMI BEACH PARKING STUDY

## FINANCIAL ANALYSIS – NORTH BEACH TOWN CENTER



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**Table 4: Parking Garage Revenue Model – Miami Beach**

Number of Transient Spaces (average)	337
Number of Turns per Day (average)	2.04
Transient Parking Demand	249,854

ANNUAL GARAGE PATRONS	PERCENT OF PATRONS	DURATION	PARKING FEE	ANNUAL REVENUE	PERCENT OF TOTAL REVENUE
Weekday					
45,511	18.22%	1 hour	\$1.25	\$56,889	4.12%
58,277	23.32%	1-2 hours	\$1.50	\$87,416	6.33%
41,022	16.42%	2-3 hours	\$3.00	\$123,067	8.91%
26,079	10.44%	3-4 hours	\$4.50	\$117,354	8.50%
23,841	9.54%	4-5 hours	\$5.50	\$131,127	9.50%
13,772	5.51%	5-6 hours	\$6.50	\$89,517	6.48%
6,046	2.42%	6-7 hours	\$7.50	\$45,348	3.28%
21,489	8.60%	7-8 hours	\$8.50	\$182,659	13.23%
755	0.30%	8-9 hours	\$10.00	\$7,552	0.55%
6,050	2.42%	9-10 hours	\$12.00	\$72,600	5.26%
612	0.25%	10-11 hours	\$14.00	\$8,574	0.62%
336	0.13%	11-12 hours	\$16.00	\$5,384	0.39%
188	0.08%	12-13 hours	\$18.00	\$3,376	0.24%
1,363	0.55%	13-14 hours	\$18.00	\$24,532	1.78%
4,512	1.81%	Holds	\$19.03	\$85,861	6.22%
0		Validations		\$0	0.00%
	100%				
Monthly Contracts					
404	#	months	\$70.00	\$339,696	24.60%
Other Revenue					
Rental				\$0	0.00%
Advertising				\$0	0.00%
Total Number of Parkers			Total Annual Revenue		100.00%
250,259			\$1,380,951		

# **CITY OF MIAMI BEACH PARKING STUDY**

## **FINANCIAL ANALYSIS – NORTH BEACH TOWN CENTER**



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### **OPERATING EXPENSES**

Annual operating expenses for the proposed parking structure have been projected using data provided by the City. This data was not verified, but assumed to be accurate. Operating expenses include, but are not limited to, costs associated with labor, security, maintenance, and utilities. The data provided by the City does not include such items as insurance and overhead costs. Currently the City's operating statements for the parking facilities does not list any other line item expenses beyond those found in the Financial Pro Forma section of this report.

The operating expenses in the Financial Pro Forma were derived from the expense information provided by the City. Simple per parking space averages were computed for each facility based on the number of parking spaces at each facility. The average cost per space was then used to compute the annual expense cost for each category in the proposed facility. The type of facility and the method of operation will have a direct effect on the actual operating costs.

### **SINKING FUND**

Walker highly recommends a sinking fund for structural repair and maintenance of the facility. Walker recommends designating a minimum of \$75 per space per year to the structural maintenance and repairs that are essential to maintaining the structure's value. Structural maintenance includes items such as delamination testing, the application of penetrating sealers, and the repair of traffic toppings, the grouting and caulking of cracks, and major painting. We suggest that these monies be placed in a sinking fund in order that funds are available when maintenance of this type is needed.

### **FINANCIAL ANALYSIS ASSUMPTIONS**

- The financial projections are based on a parking garage located on Site 2 with a capacity of 674 parking spaces.
- The revenue projections in 2004 and 2005 reflect adjustments to allow for the facility to reach its potential. In 2004 it was assumed that the facility would operate at 80 percent of its potential. In 2005 it was assumed that the facility would operate at 90 percent of its potential.

## CITY OF MIAMI BEACH PARKING STUDY

### FINANCIAL ANALYSIS – NORTH BEACH TOWN CENTER

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- An integral part of this analysis is the assumption as to the future expectancy of general inflation, and the resulting impact on revenues and expenses. Of the various indices, we are of the opinion that the most relevant indicators of the basic inflation rate for the purpose of this report are the revenue and expense growth rates as reported by Walker Parking Consultants' 2000 database, and inflation estimates made by economists of some noted institutions and corporations. Based on the results of our research and experience in the parking industry, Walker assumed 3 percent inflation per annum for operation expenses and revenues.
- The 6.5 percent tax is included in the transient rate structure and therefore computed at 6.10 percent ( $0.065/1.065$ ) of the gross transient parking revenues.
- The transient revenue projections utilized a 2.04 parking space turn ratio.
- The weighted average daily turn ratio was applied to the average yearly available transient parking spaces to produce the total transient parked vehicle counts.
- All operating expenses were projected using the expense information provided by the City for the 17<sup>th</sup> Street/Washington Avenue parking lots and the 7<sup>th</sup>, 12<sup>th</sup>, 13<sup>th</sup>, 17<sup>th</sup> and 42<sup>nd</sup> Street garages.
- Based on the conceptual design provided in the Alternatives Analysis section of this report, it was calculated that the garage would cost approximately \$8,492,400. Construction costs for the facility were calculated to be \$10,500 per space. A design and contingency fee equal to 15 percent and a financing fee equal to 5 percent is added to the base construction cost, resulting in a total estimated construction cost of approximately \$12,600 per space. This cost does not reflect land acquisition costs or soft costs such as architectural features or Geotechnical services.
- Debt service was calculated by using a 5 percent interest rate over a 20-year duration, per the City.



## **CITY OF MIAMI BEACH PARKING STUDY**

### **FINANCIAL ANALYSIS – NORTH BEACH TOWN CENTER**



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- Assumptions made (in part) for the financial analysis were verified by extrapolating on the historical data provided by the City for the 17<sup>th</sup> Street/Washington Avenue parking lots and the 7<sup>th</sup>, 12<sup>th</sup>, 13<sup>th</sup>, 17<sup>th</sup>, and 42<sup>nd</sup> Street garages. This information was not verified, but considered to be accurate.

### **LIMITING CONDITIONS AND ASSUMPTIONS**

The conclusions and recommendations presented in this study were reached based on Walker's analysis of the information obtained from the client and our sources. Information furnished by others, upon which portions of this study are based, is believed to be reliable, however, it has not been verified in all cases. No warranty is given to the accuracy of such information. Any significant differences between these assumptions and actual performance will have an impact on the financial projections for the subject parking structure.

Walker's analysis and recommendations are based on certain assumptions pertaining to the future of the City of Miami Beach, other project issues, and other factors typically related to individual user characteristics that are either outside Walker's control or that of the client. To the best of Walker's ability, we analyzed available information that was incorporated in projecting future performance of the subject parking structure.

Responsible ownership and competent property management are assumed.

No responsibility is taken for changes in market conditions, and no obligations are assumed to revise this report to reflect events or conditions, which occur subsequent to the date hereof.

Any estimates, projections, or information provided by Walker will be premised in part upon assumptions provided by others. Walker may not have independently investigated the accuracy of the assumptions.

Operating expenses were projected based on the preliminary concept designs and may vary according to the results of the final design. As a result of the inherent uncertainty and probable variation of the assumptions, actual results will vary from estimated or projected results. The variations can be material and Walker makes no warranty or representation, expressed or implied, as to the accuracy of estimates or projections.

**CITY OF MIAMI BEACH PARKING STUDY**  
**FINANCIAL ANALYSIS – NORTH BEACH TOWN CENTER**

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Specific assumptions that pertain to each financial projection can be found in the Financial Analysis Assumptions section of this report.

**FINANCIAL PRO FORMA**

As requested by the City of Miami Beach, the following table is a five (5) year operating statement. The first two years of the pro forma reflect adjustment to allow the facility to reach its full potential. Years 2006 through 2008 represent the anticipated conditions based on a fully utilized 674 parking space facility.

**CITY OF MIAMI BEACH PARKING STUDY**  
FINANCIAL ANALYSIS – NORTH BEACH TOWN CENTER

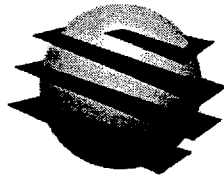
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**TABLE 5: FINANCIAL PRO FORMA – Financial Projections**

Number of Spaces	674	2004	2005	2006	2007	2008
Transient Revenues:		833,004	965,244	1,103,731	1,136,843	1,170,948
Parking Tax	6.10%	50,841	58,912	67,364	69,385	71,466
Monthly Revenues		271,757	314,898	360,078	370,880	382,007
Gross Revenue:		1,053,920	1,221,230	1,396,445	1,438,338	1,481,489
Operating Expenses:						
	Cost / Space					
Labor Costs	\$389	262,410	270,282	278,391	286,743	295,345
Security Personnel	\$241	162,502	167,377	172,399	177,571	182,898
PARCS Maintenance	\$21	14,184	14,609	15,047	15,499	15,964
Landscape Maintenance	\$11	7,123	7,336	7,556	7,783	8,017
Utilities	\$34	23,240	23,938	24,656	25,396	26,157
Elevator Maintenance	\$12	7,967	8,207	8,453	8,706	8,967
Armed Guard Service	\$12	7,989	8,228	8,475	8,729	8,991
Garage Maintenance	\$66	44,629	45,968	47,347	48,767	50,231
Surveillance System Maint.	\$8	5,471	5,635	5,804	5,979	6,158
Sinking Fund	75.00	50,550	52,067	53,628	55,237	56,894
Total Operating Expenses:		\$ 586,066	\$ 603,648	\$ 621,757	\$ 640,410	\$ 659,622
Net Operating Income:		\$ 467,855	\$ 617,583	\$ 774,688	\$ 797,929	\$ 821,866
Projected Debt Service:		\$681,452	\$681,452	\$681,452	\$681,452	\$681,452
Net Operating Income		\$213,598	\$63,869	\$93,236	\$116,476	\$140,414
Debt Service Coverage:		0.69	0.91	1.14	1.17	1.21



## FINANCIAL ANALYSIS

2322 AND 2340  
COLLINS AVENUE SITE  
(ROONEY SITE)

# CITY OF MIAMI BEACH PARKING STUDY

## FINANCIAL ANALYSIS – ROONEY SITE

FEBRUARY 6, 2004



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### BACKGROUND

The following section of the report analyzes the projected financial performance of a potential 250-space parking structure located at 2322 and 2340 Collins Avenue (Rooney Site) beginning in calendar year 2006 and extending through the end of 2010. The financial analysis utilizes financial and statistical information provided by the City. The data provided by the City has not been independently verified by Walker, but is assumed to be accurate.

The financial information from existing city-owned parking facilities provided by the City, along with the supply/demand data collected by the Corradino Group, was used in development of the financial model for this project.

### RATE SCHEDULE SURVEY

A parking rate schedule was produced using a simple average of the rate schedules for the city-owned facilities. The city's parking department provided the rate schedule. All facilities surveyed charge \$1.00 per hour (including sales tax). Four of the six facilities included in the survey require an \$8.00 maximum for a twenty-four hour period. The 7<sup>th</sup> Street Garage (1G) has an hourly rate of \$1.00 per hour with a maximum of \$14.00 for a twenty-four hour period. The Anchor Shops Garage (16<sup>th</sup> and Collins) has a different rate schedule. The first hour is \$1.00, the \$2.00 up to two hours, \$6.00 up to three hours, \$10.00 up to 6 hours, and \$16.00 up to twenty-four hours.

The monthly parking contract rates are \$64.20 for four of the six facilities surveyed, and \$75.00 and \$107.00 for the remaining two facilities.

The following table summarizes the results of the parking rate survey.

### FINANCIAL ANALYSIS

#### **2322 AND 2340 COLLINS AVENUE SITE (ROONEY SITE)**

# CITY OF MIAMI BEACH PARKING STUDY

FINANCIAL ANALYSIS – ROONEY SITE

FEBRUARY 6, 2004



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Table 1: Average Parking Rates

SCHEDULE	PARKING FEE
1 hour	\$1.00
2 hours	\$2.00
3 hours	\$3.50
4 hours	\$5.00
5 hours	\$5.83
6 hours	\$6.67
7 hours	\$8.50
8 hours	\$9.33
9 hours	\$9.50
10 hours	\$9.67
11 hours	\$9.83
12 hours	\$10.00
13 hours	\$10.17
14 – 24 hours	\$10.33
Monthly	\$78.47

Source: Walker Parking Consultants, 2003

## RATE STRUCTURE

Operating revenues will come from transient parkers and monthly contract parkers. The rate structure analysis for this project considers inflation, comparable properties, intended parking management strategies, and user groups. The recommendations are presented in the following table.

Table 2: Recommended Parking Rate Structure

SCHEDULE	PARKING FEE
1 hour	\$1.25
2 hours	\$2.50
3 hours	\$3.75
4 hours	\$5.00
5 hours	\$6.25
6 hours	\$7.50
7 hours	\$8.75
8 hours	\$10.00
9 hours	\$11.25
10 hours	\$12.50
11 hours	\$13.75
12 hours	\$15.00
13 hours	\$16.25
14 – 24 hours	\$17.50
Monthly	\$75.00

Source: Walker Parking Consultants, 2003

# CITY OF MIAMI BEACH PARKING STUDY

## FINANCIAL ANALYSIS – ROONEY SITE



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### PARKING PATRON DISTRIBUTION

Using the data provided by the city, Walker has projected the distribution of parking patrons according to their length of stay. The following table represents the breakdown of parking patrons by length of stay.

**Table 3: Parking Patron Distribution by Length of Stay**

up to 1 hour	18.22%
up to 2 hours	23.32%
up to 3 hours	16.42%
up to 4 hours	10.44%
up to 5 hours	9.54%
up to 6 hours	5.51%
up to 7 hours	2.42%
up to 8 hours	8.60%
up to 9 hours	0.30%
up to 10 hours	2.42%
up to 11 hours	0.25%
up to 12 hours	0.13%
up to 13 hours	0.08%
14 – 24 hours	0.55%
Holds	1.81%

Source: Walker Parking Consultants, 2001

### OPERATING REVENUES

The following parking revenue model projects the annual base revenues generated by a 250-space parking facility, without any lease-up adjustments. All necessary adjustments are addressed in the financial analysis portion of the report. The analysis examines annual revenues derived by transient and monthly contract parking. Because this is a preliminary analysis based only on concept designs, the projected revenues should be viewed with caution and are expected to change as the project develops. This model is designed to reflect the annual parking revenues generated by the proposed facilities during 365 days of operation. It was assumed that the facilities would continue to operate 24 hours a day, seven days a week.

Based on information provided by the city, a vehicle turnover ratio of 2.04 turns per day was projected for this analysis. The 2.04 turn ratio represents the average number of vehicle turns per day spread over eleven months and was weighted by the number of spaces in each facility. The information provided by the city was cumulative for the

## CITY OF MIAMI BEACH PARKING STUDY

### FINANCIAL ANALYSIS – ROONEY SITE



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eleven months of available data and could not be broken out by days. Therefore, an average daily turn ratio was applied to the average yearly available transient parking spaces. Weekday turns are anticipated to be higher than weekend turns.

By using ticket duration reports provided by the city, Walker projected the percent of patrons that may use the subject garage according to their length of stay. As stated in the following table, it is anticipated that on an annual basis, approximately 93,000 transient vehicles are expected to park at the proposed facility once the facility has reached its capacity potential.

A weighted average was produced for all tickets that were over 14 hours old (hold tickets). A listing of the hold tickets by rate provided by the city showed that the average hold ticket was worth \$17.95. This rate was then increased by an inflation factor of 2.5 percent a year and applied to all projected hold tickets. The hold tickets are estimated to account for 5.5 percent of all transient revenue, while being only 1.81 percent of the patrons.

Monthly contract parking in the proposed facility is estimated to be sold at 50 percent of the available spaces. An oversell factor of ten percent (of the total available spaces) was added to the 50 percent, increasing the number of sold contract parking spaces to 60 percent, in the revenue projections model in the following table. This allows for more efficient use of the contract parking space, because not every contract parking space will be utilized at the same time. Furthermore, an oversell factor of ten percent is common and accepted in the parking industry.



# CITY OF MIAMI BEACH PARKING STUDY

FINANCIAL ANALYSIS – ROONEY SITE



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**Table 4: Parking Garage Revenue Model - Miami Beach**

Number of Transient Spaces (average)	125
Number of Turns per Day (average)	2.04
Transient Parking Demand	92,676

ANNUAL GARAGE PATRONS	PERCENT OF PATRONS	DURATION	PARKING FEE	ANNUAL REVENUE	PERCENT OF TOTAL REVENUE
<b>Weekday</b>					
16,881	18.22%	1 hour	\$1.25	\$21,101	3.60%
21,616	23.32%	1-2 hours	\$2.50	\$54,040	9.21%
15,216	16.42%	2-3 hours	\$3.75	\$57,060	9.72%
9,673	10.44%	3-4 hours	\$5.00	\$48,365	8.24%
8,843	9.54%	4-5 hours	\$6.25	\$55,270	9.42%
5,108	5.51%	5-6 hours	\$7.50	\$38,312	6.53%
2,243	2.42%	6-7 hours	\$8.75	\$19,624	3.34%
7,971	8.60%	7-8 hours	\$10.00	\$79,708	13.58%
280	0.30%	8-9 hours	\$11.25	\$3,151	0.54%
2,244	2.42%	9-10 hours	\$12.50	\$28,051	4.78%
227	0.25%	10-11 hours	\$13.75	\$3,123	0.53%
125	0.13%	11-12 hours	\$15.00	\$1,872	0.32%
70	0.08%	12-13 hours	\$16.25	\$1,130	0.19%
506	0.55%	13-24 hours	\$17.50	\$8,847	1.51%
1,674	1.81%	Holds	\$19.30	\$32,298	5.50%
0		Validations		\$0	0.00%
	100%				
<b>Monthly Contracts</b>					
150		12 months	\$75.00	\$135,000	23.00%
<b>Other Revenue</b>					
Rental				\$0	0.00%
Advertising				\$0	0.00%
Total Number of Parkers				Total Annual Revenue	100.00%
92,826				\$586,954	

# CITY OF MIAMI BEACH PARKING STUDY

## FINANCIAL ANALYSIS – ROONEY SITE



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### OPERATING EXPENSES

Annual operating expenses for the proposed parking structure have been projected using data provided by the city. This data was not independently verified by Walker, but is assumed to be accurate. Operating expenses include but are not limited to, costs associated with labor, security, maintenance, and utilities. The data provided by the city does not include such items as insurance and overhead costs. Currently the city's operating statements for the parking facilities does not list any other line item expenses beyond those found in the financial operating statement section of this report.

The operating expenses in the financial pro forma operating statements are derived from the expense information provided by the city. Simple per space averages were computed for each facility based on the number of parking spaces at each facility. An adjusted average cost per space was then used to compute the annual expense cost for each category in the proposed facility. Adjustments were made to the average expenses by discounting facilities that function differently from the proposed facility. As an example, the 42<sup>nd</sup> Street Garage (8A) has an exceptionally low per space labor rate of \$51.00, and was therefore discounted from the average labor costs analysis. The type of facility and the method of operation will have a direct effect on the actual operating costs.

### SINKING FUND

Walker highly recommends a sinking fund for structural repair and maintenance of the facility. Walker recommends designating a minimum of \$75.00 per space per year to the structural maintenance and repairs that are essential to maintaining the structure's value. Structural maintenance includes items such as delamination testing, the application of penetrating sealers, and the repair of traffic toppings, the grouting and caulking of cracks, major landscaping, and major painting. We suggest that these monies be placed in a sinking fund in order that funds are available when maintenance of this type is needed.

### FINANCIAL ANALYSIS ASSUMPTIONS

- The financial projections are based on a parking garage located at 2322 and 2340 Collins Avenue (Rooney Site). The garage capacity is assumed to be 250 parking spaces.

# CITY OF MIAMI BEACH PARKING STUDY

## FINANCIAL ANALYSIS – ROONEY SITE



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- The revenue projections in 2006, 2007, and 2008 reflect adjustments to allow for the facility to reach its potential. In 2006 it is assumed that the facility would operate at 75 percent of its potential. In 2007 it was assumed that the facility would operate at 85 percent of its potential. In 2008 it was assumed that the facility would operate at 95 percent of its potential.
- After 2008 it is assumed that the facility would reach capacity and parking revenues would grow through periodic rate increases.
- A parking rate increase was applied in 2006 and 2009. However, the increase should be adjusted to current market conditions at the time of the desired increase. See the Financial Analysis Appendix for a copy of the recommended rate structures.
- The commercial and residential space associated with the project has not yet been sufficiently defined and therefore no revenue is shown in this analysis for said commercial and residential space.
- A 6.5 percent parking tax is included in the transient rate structure and computed at 6.10 percent ( $0.065/1.065$ ) of the gross transient parking revenue.
- The transient revenue projections utilize a 2.04 parking space turnover ratio.
- The weighted average daily turnover ratio was applied to the average yearly available transient parking spaces to produce the total transient parked vehicle counts.
- The operating expenses were projected using the expense information provided by the city for the 17<sup>th</sup> street/Washington Avenue parking lots, and the 7<sup>th</sup>, 12<sup>th</sup>, 13<sup>th</sup>, 17<sup>th</sup> and 42<sup>nd</sup> Street garages.
- Based on the conceptual design provided in the alternatives analysis section of this report, it was calculated that the Avis Site facility would cost approximately \$3,200,000 to develop. Construction costs for the facility were calculated to

# CITY OF MIAMI BEACH PARKING STUDY

## FINANCIAL ANALYSIS – ROONEY SITE



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be approximately \$10,500 per parking space. A design and contingency fee equal to 15 percent and a financing fee of 5 percent was added to the base construction cost, resulting in a total estimated construction cost of approximately \$12,600 per space. This cost does not reflect land acquisition costs, commercial space construction costs, architectural features, or soft costs such as geotechnical services.

- The cost of the commercial and residential space is not included in this analysis. The cost of construction of the commercial and residential space will have a significant affect on the overall project cost.
- Property tax for this project is unavailable and has not been incorporated into this analysis. The reader is cautioned that property taxes may have a significant effect on this analysis and should be considered in any future analysis.
- Debt service is calculated by using a five percent interest rate with an assumed 20-year duration.
- Assumptions made (in part) for the financial analysis are verified by extrapolating the historical data provided by the city for several city owned parking facilities. This information was not independently verified by Walker, but considered to be accurate.

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# CITY OF MIAMI BEACH PARKING STUDY

FINANCIAL ANALYSIS – ROONEY SITE



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3. Walker assumes no responsibility for any events or circumstances that take place or change subsequent to the date of our field inspections.
4. Walker is not qualified to detect hazardous substances, has not considered such, and therefore urges the client to retain an expert in this field, if relevant to this study.
5. Sketches, photographs, maps and other exhibits included herein may not be of engineering quality or to a consistent scale, and should not be relied upon as such.
6. All information, estimates, and opinions obtained from parties not employed by Walker, are assumed to be accurate. We assume no liability resulting from information presented by the client or client's representatives, or received from third-party sources.
7. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless specified otherwise. Unless noted, we assume that there are no encroachments, zoning violations, or building violations encumbering the subject property.
8. This report is to be used in whole and not in part. None of the contents of this report may be reproduced or disseminated in any form for external use by anyone other than our client without our written permission.
9. The projections presented in the analysis assume responsible ownership and competent management. Any departure from this assumption may have a negative impact on the conclusions.
10. This analysis is preliminary in nature and is therefore not suitable to obtain project financing.

## FINANCIAL PRO FORMA

As requested by the City of Miami Beach, the following table is a five (5) year pro forma operating statement. The first three years of the pro forma reflect adjustments to allow the facility to reach its full potential. Years 2009 and 2010 represent the anticipated conditions based on a fully utilized 250-space parking facility.

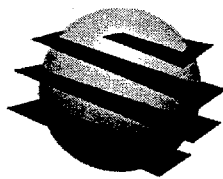
**CITY OF MIAMI BEACH PARKING STUDY**  
FINANCIAL ANALYSIS - ROONEY SITE

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**Table 5: FINANCIAL PRO FORMA - Financial Projections**

		2006	2007	2008	2009	2010
Number of Spaces		339,000	384,000	429,000	477,000	477,000
Transient Revenues:						
Parking Tax	250	21,000	23,000	26,000	29,000	29,000
Monthly Revenues	6.10%	101,000	115,000	128,000	144,000	144,000
Gross Revenue:		419,000	476,000	531,000	592,000	592,000
Operating Expenses:						
	Cost / Space					
Labor Costs	\$457	114,000	117,000	120,000	123,000	126,000
Security Personnel	\$286	71,000	73,000	75,000	77,000	79,000
PARCS Maintenance	\$21	5,000	5,000	5,000	5,000	5,000
Landscape Maintenance	\$14	3,000	3,000	3,000	3,000	3,000
Utilities	\$40	10,000	10,000	10,000	10,000	10,000
Elevator Maintenance	\$14	4,000	4,000	4,000	4,000	4,000
Armed Guard Service	\$16	4,000	4,000	4,000	4,000	4,000
Garage Maintenance	\$66	17,000	17,000	17,000	17,000	17,000
Surveillance System Maint.	\$8	2,000	2,000	2,000	2,000	2,000
Property Tax	\$0					
Sinking Fund	75.00	19,000	19,000	19,000	19,000	19,000
Total Operating Expenses:		\$249,000	\$254,000	\$259,000	\$264,000	\$269,000
Net Operating Income:		\$170,000	\$222,000	\$272,000	\$328,000	\$323,000
Projected Debt Service:		\$253,000	\$253,000	\$253,000	\$253,000	\$253,000
Net Operating Income		\$163,000	\$131,000	\$19,000	\$75,000	\$70,000
Debt Service Coverage:		0.67	0.88	1.08	1.30	1.28



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## FINANCIAL ANALYSIS

6600 COLLINS  
AVENUE

# **CITY OF MIAMI BEACH PARKING STUDY**

FINANCIAL ANALYSIS – 6600 COLLINS AVENUE

FEBRUARY 6, 2004



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## **BACKGROUND**

The following section of the report analyzes the projected financial performance of a potential 400-space parking structure located at 6600 Collins Avenue beginning in calendar year 2006 and extending through the end of 2010. The financial analysis utilizes financial and statistical information provided by the City. The data provided by the City has not been independently verified by Walker, but is assumed to be accurate.

The financial information from existing city-owned parking facilities provided by the City, along with the supply/demand data collected by the Corradino Group, was used in the development of the financial model for this project.

## **RATE SCHEDULE SURVEY**

A parking rate schedule was produced using a simple average of the rate schedules for the city-owned facilities. The city's parking department provided the rate schedule. All facilities surveyed charge \$1.00 per hour (including sales tax). Four of the six facilities included in the survey require an \$8.00 maximum for a twenty-four hour period. The 7<sup>th</sup> Street Garage (1G) has an hourly rate of \$1.00 per hour with a maximum of \$14.00 for a twenty-four hour period. The Anchor Shops Garage (16<sup>th</sup> and Collins) has a different rate schedule. The first hour is \$1.00, the \$2.00 up to two hours, \$6.00 up to three hours, \$10.00 up to 6 hours, and \$16.00 up to twenty-four hours.

The monthly parking contract rates are \$64.20 for four of the six facilities surveyed, and \$75.00 and \$107.00 for the remaining two facilities.

The following table summarizes the results of the parking rate survey.

## **6600 COLLINS AVENUE FINANCIAL ANALYSIS**



# CITY OF MIAMI BEACH PARKING STUDY

FINANCIAL ANALYSIS - 6600 COLLINS AVENUE



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**Table 1: Average Parking Rates**

<u>SCHEDULE</u>	<u>PARKING FEE</u>
1 hour	\$1.00
2 hours	\$2.00
3 hours	\$3.50
4 hours	\$5.00
5 hours	\$5.83
6 hours	\$6.67
7 hours	\$8.50
8 hours	\$9.33
9 hours	\$9.50
10 hours	\$9.67
11 hours	\$9.83
12 hours	\$10.00
13 hours	\$10.17
14 - 24 hours	\$10.33
Monthly	\$78.47

Source: Walker Parking Consultants, 2003

## RATE STRUCTURE

Operating revenues will come from transient parkers and monthly contract parkers. The rate structure analysis for this project considers inflation, comparable properties, intended parking management strategies, and user groups. The recommendations are presented in the following table.

**Table 2: Recommended Parking Rate Structure**

<u>SCHEDULE</u>	<u>PARKING FEE</u>
1 hour	\$1.25
2 hours	\$2.50
3 hours	\$3.75
4 hours	\$5.00
5 hours	\$6.25
6 hours	\$7.50
7 hours	\$8.75
8 hours	\$10.00
9 hours	\$11.25
10 hours	\$12.50
11 hours	\$13.75
12 hours	\$15.00
13 hours	\$16.25
14 - 24 hours	\$17.50
Monthly	\$75.00

Source: Walker Parking Consultants, 2003

# CITY OF MIAMI BEACH PARKING STUDY

FINANCIAL ANALYSIS – 6600 COLLINS AVENUE



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## PARKING PATRON DISTRIBUTION

Using the data provided by the city, Walker has projected the distribution of parking patrons according to their length of stay. The following table represents the breakdown of parking patrons by length of stay.

**Table 3: Parking Patron Distribution by Length of Stay**

up to 1 hour	18.22%
up to 2 hours	23.32%
up to 3 hours	16.42%
up to 4 hours	10.44%
up to 5 hours	9.54%
up to 6 hours	5.51%
up to 7 hours	2.42%
up to 8 hours	8.60%
up to 9 hours	0.30%
up to 10 hours	2.42%
up to 11 hours	0.25%
up to 12 hours	0.13%
up to 13 hours	0.08%
14 – 24 hours	0.55%
Holds	1.81%

*Source: Walker Parking Consultants, 2001*

## OPERATING REVENUES

The following parking revenue model projects the annual base revenues generated by a 400-space parking facility, without any lease-up adjustments. All necessary adjustments are addressed in the financial analysis portion of the report. The analysis examines annual revenues derived by transient and monthly contract parking. Because this is a preliminary analysis based only on concept designs, the projected revenues should be viewed with caution and are expected to change as the project develops. This model is designed to reflect the annual parking revenues generated by the proposed facilities during 365 days of operation. It was assumed that the facilities would continue to operate 24 hours a day, seven days a week.

Based on information provided by the city, a vehicle turnover ratio of 2.04 turns per day was projected for this analysis. The 2.04 turn ratio represents the average number of vehicle turns per day spread over eleven months and was weighted by the number of spaces in each

## CITY OF MIAMI BEACH PARKING STUDY

FINANCIAL ANALYSIS – 6600 COLLINS AVENUE



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facility. The information provided by the city was cumulative for the eleven months of available data and could not be broken out by days. Therefore, an average daily turn ratio was applied to the average yearly available transient parking spaces. Weekday turns are anticipated to be higher than weekend turns.

By using ticket duration reports provided by the city, Walker projected the percent of patrons that may use the subject garage according to their length of stay. As stated in the following table, it is anticipated that on an annual basis, approximately 148,000 transient vehicles are expected to park at the proposed facility once the facility has reached its capacity potential.

A weighted average was produced for all tickets that were over 14 hours old (hold tickets). A listing of the hold tickets by rate provided by the city showed that the average hold ticket was worth \$17.95. This rate was then increased by an inflation factor of 2.5 percent a year and applied to all projected hold tickets. The hold tickets are estimated to account for 5.5 percent of all transient revenue, while being only 1.81 percent of the patrons.

Monthly contract parking in the proposed facility is estimated to be sold at 50 percent of the available spaces. An oversell factor of ten percent (of the total available spaces) was added to the 50 percent, increasing the number of sold contract parking spaces to 60 percent, in the revenue projections model in the following table. This allows for more efficient use of the contract parking space, because not every contract parking space will be utilized at the same time. Furthermore, an oversell factor of ten percent is common and accepted in the parking industry.

# CITY OF MIAMI BEACH PARKING STUDY

FINANCIAL ANALYSIS – 6600 COLLINS AVENUE



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**Table 4: Parking Garage Revenue Model – Miami Beach**

Number of Transient Spaces (average)	200				
Number of Turns per Day (average)	2.04				
Transient Parking Demand	148,281				
Annual Garage Patrons	Percent of Patrons	Duration	Parking Fee	Annual Revenue	Percent of Total revenue
<b>Weekday</b>					
27,010	18.22%	1 hour	\$1.25	\$33,762	3.60%
34,586	23.32%	1-2 hours	\$2.50	\$86,464	9.21%
24,346	16.42%	2-3 hours	\$3.75	\$91,296	9.72%
15,477	10.44%	3-4 hours	\$5.00	\$77,385	8.24%
14,149	9.54%	4-5 hours	\$6.25	\$88,432	9.42%
8,173	5.51%	5-6 hours	\$7.50	\$61,299	6.53%
3,588	2.42%	6-7 hours	\$8.75	\$31,398	3.34%
12,753	8.60%	7-8 hours	\$10.00	\$127,533	13.58%
448	0.30%	8-9 hours	\$11.25	\$5,042	0.54%
3,591	2.42%	9-10 hours	\$12.50	\$44,881	4.78%
363	0.25%	10-11 hours	\$13.75	\$4,997	0.53%
200	0.13%	11-12 hours	\$15.00	\$2,995	0.32%
111	0.08%	12-13 hours	\$16.25	\$1,809	0.19%
809	0.55%	13-24 hours	\$17.50	\$14,154	1.51%
2,678	1.81%	Holds	\$19.30	\$51,677	5.50%
0		Validations		\$0	0.00%
	100%				
<b>Monthly Contracts</b>					
240		12 months	\$75.00	\$216,000	23.00%
<b>Other Revenue</b>					
Rental				\$0	0.00%
Advertising				\$0	0.00%
Total Number of Parkers				Total Annual Revenue	100.00%
148,522				\$939,126	

## **CITY OF MIAMI BEACH PARKING STUDY**

FINANCIAL ANALYSIS – 6600 COLLINS AVENUE



**WALKER**  
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DECEMBER 5, 2003

### **OPERATING EXPENSES**

Annual operating expenses for the proposed parking structure have been projected using data provided by the city. This data was not independently verified by Walker, but is assumed to be accurate. Operating expenses include but are not limited to, costs associated with labor, security, maintenance, and utilities. The data provided by the city does not include such items as insurance and overhead costs. Currently the city's operating statements for the parking facilities does not list any other line item expenses beyond those found in the financial operating statement section of this report.

The operating expenses in the financial pro forma operating statements are derived from the expense information provided by the city. Simple per space averages were computed for each facility based on the number of parking spaces at each facility. An adjusted average cost per space was then used to compute the annual expense cost for each category in the proposed facility. Adjustments were made to the average expenses by discounting facilities that function differently from the proposed facility. As an example, the 42<sup>nd</sup> Street Garage (8A) has an exceptionally low per space labor rate of \$51.00, and was therefore discounted from the average labor costs analysis. The type of facility and the method of operation will have a direct effect on the actual operating costs.

### **SINKING FUND**

Walker highly recommends a sinking fund for structural repair and maintenance of the facility. Walker recommends designating a minimum of \$75.00 per space per year to the structural maintenance and repairs that are essential to maintaining the structure's value. Structural maintenance includes items such as delamination testing, the application of penetrating sealers, and the repair of traffic toppings, the grouting and caulking of cracks, major landscaping, and major painting. We suggest that these monies be placed in a sinking fund in order that funds are available when maintenance of this type is needed.

## CITY OF MIAMI BEACH PARKING STUDY

FINANCIAL ANALYSIS – 6600 COLLINS AVENUE



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### FINANCIAL ANALYSIS ASSUMPTIONS

- The financial projections are based on a parking garage located at 6600 Collins Avenue. The garage capacity is assumed to be 400 parking spaces.
- The revenue projections in 2006, 2007, and 2008 reflect adjustments to allow for the facility to reach its potential. In 2006 it is assumed that the facility would operate at 75 percent of its potential. In 2007 it was assumed that the facility would operate at 85 percent of its potential. In 2008 it was assumed that the facility would operate at 95 percent of its potential.
- After 2008 it is assumed that the facility would reach capacity and parking revenues would grow through periodic rate increases.
- A parking rate increase was applied in 2006 and 2009. However, the increase should be adjusted to current market conditions at the time of the desired increase. See the Financial Analysis Appendix for a copy of the recommended rate structures.
- The commercial space associated with the project has not yet been sufficiently defined and therefore no revenue is shown in this analysis for said commercial space.
- A 6.5 percent parking tax is included in the transient rate structure and computed at 6.10 percent ( $0.065/1.065$ ) of the gross transient parking revenue.
- The transient revenue projections utilize a 2.04 parking space turnover ratio.
- The weighted average daily turnover ratio was applied to the average yearly available transient parking spaces to produce the total transient parked vehicle counts.
- The operating expenses were projected using the expense information provided by the city for the 17<sup>th</sup> street/Washington Avenue parking lots, and the 7<sup>th</sup>, 12<sup>th</sup>, 13<sup>th</sup>, 17<sup>th</sup> and 42<sup>nd</sup> Street garages.

## CITY OF MIAMI BEACH PARKING STUDY

### FINANCIAL ANALYSIS – 6600 COLLINS AVENUE



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- Based on the conceptual design provided in the alternatives analysis section of this report, it was calculated that the 6600 Collins facility would cost approximately \$5,000,000 to construct. Construction costs for the facility were calculated to be approximately \$10,500 per parking space. A design and contingency fee equal to 15 percent and a financing fee of 5 percent was added to the base construction cost, resulting in a total estimated construction cost of approximately \$12,600 per space. This cost does not reflect land acquisition costs, commercial space construction costs, architectural features, or soft costs such as geotechnical services.
- The cost of the construction of the commercial (retail) space is not included in this analysis. The cost of construction of the commercial space could significantly affect the project costs.
- Property tax for this proposed project is unavailable and has not been incorporated into this analysis. The reader is cautioned that property taxes may have a significant effect on this analysis and should be considered in any future analysis.
- Debt service is calculated by using a five percent interest rate with an assumed 20-year duration.
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## CITY OF MIAMI BEACH PARKING STUDY

FINANCIAL ANALYSIS - 6600 COLLINS AVENUE



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DECEMBER 5, 2003

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## CITY OF MIAMI BEACH PARKING STUDY

FINANCIAL ANALYSIS – 6600 COLLINS AVENUE



**WALKER**  
PARKING CONSULTANTS

DECEMBER 5, 2003

### FINANCIAL PRO FORMA

As requested by the City of Miami Beach, the following table is a five (5) year pro forma operating statement. The first three years of the pro forma reflect adjustments to allow the facility to reach its full potential. Years 2009 and 2010 represent the anticipated conditions based on a fully utilized 400-space parking facility.

**CITY OF MIAMI BEACH PARKING STUDY**  
**FINANCIAL ANALYSIS - 6600 COLLINS AVENUE SITE**

FEBRUARY 6, 2004



**TABLE 5: FINANCIAL PRO FORMA**

		2006	2007	2008	2009	2010
Number of Spaces		400				
Transient Revenues:		542,000	615,000	687,000	763,000	763,000
Parking Tax	6.10%	33,000	38,000	42,000	47,000	47,000
Monthly Revenues		162,000	184,000	205,000	230,000	230,000
Gross Revenue:		671,000	761,000	850,000	946,000	946,000
Operating Expenses:						
	Cost / Space					
Labor Costs	\$457	183,000	188,000	193,000	198,000	203,000
Security Personnel	\$286	114,000	117,000	120,000	123,000	126,000
PARCS Maintenance	\$21	8,000	8,000	8,000	8,000	8,000
Landscape Maintenance	\$14	6,000	6,000	6,000	6,000	6,000
Utilities	\$40	16,000	16,000	16,000	16,000	16,000
Elevator Maintenance	\$14	6,000	6,000	6,000	6,000	6,000
Armed Guard Service	\$16	6,000	6,000	6,000	6,000	6,000
Garage Maintenance	\$66	26,000	27,000	28,000	29,000	30,000
Surveillance System Maint.	\$8	3,000	3,000	3,000	3,000	3,000
Property Tax	\$0					
Sinking Fund	75.00	30,000	30,000	30,000	30,000	30,000
Total Operating Expenses:		\$ 398,000	\$ 407,000	\$ 416,000	\$ 425,000	\$ 434,000
Net Operating Income:		\$ 273,000	\$ 354,000	\$ 434,000	\$ 521,000	\$ 512,000
Projected Debt Service:		\$404,000	\$404,000	\$404,000	\$404,000	\$404,000
Net Operating Income		\$131,000	\$50,000	\$30,000	\$117,000	\$108,000
Debt Service Coverage:		0.68	0.88	1.07	1.29	1.27

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**CITY OF MIAMI BEACH**  
**Office of the City Manager**



**To:** Members of the Joint Finance and Citywide  
Projects and Land Use Committees

**Date:** December 14, 2004

**From:** Jorge M. Gonzalez  
City Manager

**Subject: PARKING SYSTEM CAPITAL PLAN & FUNDING ALTERNATIVES**

It is prudent for the Parking System to establish a Capital Plan in order to plan, schedule, and fund capital projects over a rolling five year period. It is recommended that the plan be amended and revised annually, as necessary. The following projects have received various levels of approvals from the Mayor and Commission and are at various stages of the permitting process: Citywide Way Finding Signage Program; City Hall Expansion Garage; NWS (New World Symphony) Garage; and CMB/Potamkin Joint Venture.

The balance of the projects and policy issues require direction from this Committee. Policy issues include establishing: a fund for emergencies; an operating and maintenance fund; and a preventive maintenance program. Capital projects include: Garage/Lot Refurbishment; Multi-Space Pay Stations/Phase III & IV; POF (Pay-On-Foot/Revenue Control); VIN (Vehicle Identification Network) Program; CCTV (Closed Circuit Television) for Garages; Collins Park (21<sup>st</sup> Street/Collins Avenue Lot); Walker Parking Analysis Recommendations; and 13<sup>th</sup> Street/Collins Garage (parking lot).

**Policy Issues/Funding Sources:**

**1. Parking Retained Earnings Policy** **Project Cost: \$2,310,000**

It is recommended that the Parking System maintain retain earnings sufficient to withstand a catastrophic emergency or economic downturn. It is recommended that the parking system maintain an emergency fund of 11% of the parking system's annual budget. 11% is consistent with the City's general fund emergency contingency fund:

- 11% of annual operating expense of \$21M (parking enterprise fund annual budget) equates to \$2,310,000.

**Funding Sources:**

- Parking System Retained Earnings

**2. Preventive Maintenance (Garages & Lots)** **Project Cost: \$732,825**

The City should implement the following funding source for facility maintenance:

Preventive Maintenance - Walker Parking has recommended an industry standard \$75 per space, per year for preventive maintenance. The Parking System has a total of 9,771 spaces in six garages and 62 surface parking

lots. 9,771 spaces @ \$75 per space equates to \$732,825 annually.

Funding Sources:

- Initiate \$75.00 budgeted (line item) annual expense per space for PM.

**3. Operating and Maintenance (O&M) Reserve: Project Cost: \$2,500,000**

The City should implement an O&M reserve account equivalent to two (2) months of operating expenses of the parking system:

- Initiate and maintain an O&M reserve equivalent to two months operating expense or \$2,500,000.

Funding Sources:

- Parking System Retained Earnings

**Capital Projects/Funding Sources**

**1. Garage/Lot Refurbishment Program: Project Costs: \$6,153,902**

Phases I and II of the Surface Lot Refurbishment Program are appropriated and funded. This includes: seven (7) parking lots abutting Lincoln Road (479 spaces); 27<sup>th</sup> Street and Collins Avenue (121 spaces), 16<sup>th</sup> Street and West Avenue (Epicure Lot) (71 spaces); 46<sup>th</sup> Street and Collins Avenue (459 spaces); 72<sup>nd</sup> Street and Collins Avenue (300 spaces); and the Byron/Carlyle Lot (32 spaces) for a total of 1,462 spaces. Improvements include drainage, lighting, milling, paving, striping, and landscaping/irrigation. On average, the cost per space for renovations to surface lots is \$2,517 and \$309\* for garages completed to date.

Phase III of the program includes garage maintenance for striping, expansion joints, spalling repairs, and waterproofing membrane as well as the aforementioned improvements to nine (9) surface parking lots (711 spaces) at the following locations:

Surface Lots:

- 6<sup>th</sup> Street/Meridian Avenue (25 spaces)
- 75<sup>th</sup> Street/Collins Avenue (110 spaces)
- 71<sup>st</sup> Street/Harding Avenue (51 spaces)
- 40<sup>th</sup> Street/Chase Avenue (80 spaces)
- 41<sup>st</sup> Street/Alton Road (41 spaces)
- 35<sup>th</sup> Street/Collins Avenue (72 spaces)
- 13<sup>th</sup> Street/Collins Avenue (55 spaces)
- South Pointe Parking Lot (215 spaces)
- Penrod's Parking Lot (62 spaces)

Garages:

- 12<sup>th</sup> Street Garage
- 13<sup>th</sup> Street Garage
- 17<sup>th</sup> Street Garage

- 42<sup>nd</sup> Street Garage

**Project Costs:**

Parking Lot Refurbishments Costs: \$4,346,000

Parking Garage Maintenance/Renovations: \$1,807,902

**Total:** **\$6,153,902**

**Funding Sources:**

- Parking System Renewal/Replacement Fund

*\* Note: \$309 per space is based mostly on structural repair and light maintenance.*

**2. Multi-Space Paystations/Phase III & IV** **Project Costs: \$2,400,000**

Various areas of the City are currently being evaluated to determine phases three and four; however, it is estimated that an additional 250 pay stations will be needed for these phases at a cost of approximately \$2,400,000 (\$2,439,000 was appropriated for Phase I and II on January 14, 2004).

**Funding Sources:**

- Parking System Renewal/Replacement Fund

**3. Pay-On-Foot (Revenue Control) Upgrades:** **Project Costs: \$1,200,000**

Pay-on-foot technology will be tested at the 13<sup>th</sup> Street and Collins Avenue Garage. If deemed successful, its advantages which include reduced labor expenses, improved cash management, and improved customer service may lead to expansion of this technology to other facilities. Conversion of all currently attended locations is estimated at \$1,200,000.00.

**Funding Sources:**

- Parking System Renewal/Replacement Fund
- 7<sup>th</sup> Street Garage Parking Fund
- RDA Funds

**4. Citywide Wayfinding Signage Program** **Project Costs: \$2,465,504**

The Administration, in conjunction with Hillier (consultant), is currently in the latter stages of the design phase of the project. Various approvals have been received including the Florida Department of Transportation (FDOT), Miami-Dade County, and City boards and committees, such as the Design Review Board, Historic Preservation Board, and Transportation and Parking Committee have endorsed the project. The project cost for Phase I is estimated at \$1,739,240. The Parking System will fund \$600,000; CDT will fund \$400,000; City Center RDA will fund \$475,561; and South Pointe RDA will fund \$263,679. Phase II - Citywide Pedestrian Signs is estimated to cost \$726,264 and it is currently unfunded.

**Funding Sources:**

- Parking Revenue Bond Funds
- CDT (Convention Development Tax)
- RDA Funds

**5. VIN (Vehicle Identification Network) Program      Project Cost:      \$200,000**

This initiative is a technology enhancement that will allow for license plate recognition of parked vehicles both on and off-street. Data collection for parking occupancy turnover analyses is currently very labor intensive. This technology will allow for an efficient and accurate data collection method which can also be utilized to identify bona fide residential parking permit holders and scofflaw violators. Scofflaw violators are deemed as any vehicle license plate identified with either five (5) outstanding parking citations or one (1) outstanding disabled parking citation.

**Funding Sources:**

- Parking Bond Funds

**6. CCTV (Closed Circuit Television) for Garages      Project Cost:      \$480,000**

This initiative is a technology enhancement to improve security in the Parking System's garages. The recommended CCTV system is a digital system with internet capability. CCTV would enhance the Parking System's current security system by establishing a centralized real time control room that would be monitored by security personnel. In addition, a digital system has the capability of creating a permanent record of all recorded materials for future reference.

**Funding Sources:**

- Parking Bond Funds

**7. City Hall Expansion Garage      Project Costs:      \$12,780,229**

The Mayor and City Commission approved the first reading of a Resolution describing a proposed Development Agreement between the City of Miami Beach and the New World Symphony (NWS) for the development of a portion of the surface parking lot located at 17th Street and Washington Avenue. A key term of the Development Agreement is that the City will proceed with developing a new Multipurpose Municipal Parking Facility on the site of the current City Hall surface lot with the goal of having a new facility operational by November 2007. Throughout the negotiations with the NWS, the Administration has consistently stated that replacement parking must be built before displacement of parking from either of the 17th Street surface parking lots. The Multipurpose Municipal Parking Facility must be built and completed, or an alternate acceptable replacement parking location must be identified, prior to NWS's commencement of project construction. The site for the Project, designated the Multipurpose Municipal Parking Facility, is bounded to the north by the Convention Center Preferred Parking Lot ("P Lot"), to the west by Meridian

Avenue, to the east by City Hall and to the south by 17th Street and the City owned building at 1701 Meridian Avenue (also known as 777 17th Street). The Project will consist of the construction of a Multipurpose, multi-story parking structure which will provide parking for 450 to 600 cars. In addition, the structure may include, as is ultimately determined by the planning process, inter-modal facilities, retail or residential accessory space, office space, and related public area improvements. Project elements include site demolition, renovation and construction, landscaping, enhanced lighting, roadway interface, and streetscape improvements.

**Funding Sources:**

- Parking Impact Fees;
- RDA Funds

**8. New World Symphony (NWS) Garage:**

**Project Costs: \$8,875,125**

As a component of the NWS Sound Space structure, a multi-level parking structure with an approximate capacity for up to 580 parking spaces will be constructed. The City will own and operate this facility and it has made clear its desire to NWS to maximize the capacity of the parking facility while maintaining the architectural integrity of adjoining structures, including the Sound Space itself. The facility would be located within the two (2) surface parking lots, bounded by 17<sup>th</sup> street to the north; North Lincoln Lane to the south; Washington Avenue to the east; and Pennsylvania Avenue to the west. The Project Costs and responsibilities are as follows:

Sound Space:	Approximately \$40-\$50 million – NWS to design and construct on ground lease w/City.
Parking:	City will fund \$12,250/per space plus 12.5% for soft costs, subject to annual CPI escalations, as maximum contribution from City of Miami Beach for an estimated 320 spaces (with potential to maximize number of spaces). NWS will design and construct/CMB to own/operate as public municipal garage. NWS will pay for any incremental costs associated with Garage construction and design, thereby mitigating construction risk.
Commercial Accessory Use:	A stand alone garage with frontage on street may require that 1 <sup>st</sup> floor frontage is occupied by commercial accessory use i.e. retail, etc. Parties agree to evaluate optimal frontage uses when preliminary plans and specs are finalized and apportion City's responsibility to build to the extent the frontage is not incorporated into the project.
Ground Lease Term:	55 years from completion; four 10 year renewal options.

**Funding Sources:**

- RDA Funds



**9. CMB/Potamkin Joint Venture:**

**Project Costs: \$9,500,000**

PB (Potamkin/Berkowitz) and the City are negotiating a joint venture project that will contain approximately 179,000 square feet of retail area, including a supermarket and an approximate 943 space Parking Garage. The project is bounded by Lenox Avenue on the east, Alton Road on the west, 6<sup>th</sup> Street on the north and 5<sup>th</sup> Street on the south. The parking garage facility would provide approximately 503 parking spaces to serve the public, including the supermarket and approximately 440 parking spaces required to serve the retail area. The City will fund \$14,413/per parking space inclusive of soft costs (including but not limited to any Prevailing Wage Requirements and all site development costs, permit and concurrency fees, if applicable), or \$7,250,000, as a maximum contribution from City for City's 503 parking spaces. P&B will design and construct the entire garage. CMB shall own/operate the public and supermarket parking spaces, which shall be operated as a public municipal garage together with the 440 Retail Spaces for a total of 943 parking spaces.

**Funding Sources:**

- RDA Funds;
- FTA Funds (Omnibus Federal Appropriation Bill) - Bus and bus facilities (Intermodal\Federal Funding) - \$6,475,605 require 20% local matching funds. Must adhere to federal regulations and restrictions (see attached funding schedule); Potential additional funding sources may include funding from the people's transit tax, joint ventures with private enterprises to leverage existing dollars, and funding from federal, state, and county sources for preferred alternative transit modes. FTA, RDA, and CDT funding may be used in accordance with applicable legislation. An additional \$1.4M may be available pending approval of the aforementioned bill, if the project is FTA eligible.

**10. Collins Park/21<sup>st</sup> Street & Collins Parking Lot**

**Project Cost: \$588,674**

A component of the Collins Park Master Plan includes renovations to the municipal parking lot, located between 21<sup>st</sup> and 22<sup>nd</sup> Street on Collins Avenue. This renovation will include lighting, drainage, paving, concrete, and landscaping.

**Funding Sources:**

- RDA Funds

**Other Projects for Consideration (Unfunded):**

**Walker Parking Analysis Recommendations:**

6600 Collins Avenue ("Motel 8"):

2300 Collins Avenue ("Roney"):

410 - 71<sup>st</sup> Street (Byron/Carlyle Lot/CNB)

6970 Harding Ave (City Lot P-84/CNB)

Clearly, there is a scarcity of available land and land acquisitions for parking are cost prohibitive. Therefore, it is advantageous to the City to leverage its capital

funding by joint venturing with the private sector wherever possible in order to: (1) maximize funding in order to address parking demand citywide; and (2) realize the highest and best use of a property is typically a mixed-use development providing additional parking spaces above what is required for public use. To this end, the Administration with Walker's concurrence is recommending either one or a combination of the following four sites located at 6600 Collins Avenue (Motel 8); 23<sup>rd</sup> Street and Collins Avenue (Roney); 410 71<sup>st</sup> Street (Byron Carlyle Lot/City National Bank); and 6970 Harding Ave (City Lot P-84/City National Bank) sites provide the most advantages from various perspectives, including, but not limited to, the ability to leverage capital funding by joint venturing with interested developers at both sites. Please refer to the attached companion item "Walker Parking/ Alternatives Analysis and Financial Feasibility Analysis".

**Funding Sources:**

- Parking Bond Funds;
- Parking Retained Earnings;

**13<sup>th</sup> Street Garage (parking lot):**

This site was initially one of the five joint venture proposals received by the City in 1998. As you know, at the time, the City accepted three of the sites which today are known as The Lincoln, Lincoln Place, and The Pelican. The City has in its possession a preliminary set of plans for a 250 space parking garage with 4,600 sqft of ground floor retail. The joint venture partner (Suchman Retail Group, Inc.) has expressed an interest to proceed with this joint venture project at some level that would need to be negotiated, if the City wishes to pursue it. Clearly, the actions taken by the Mayor and Commission in 1998 regarding the initial five proposals was to proceed with the top three proposals and there was no action directed with the remaining two proposals.

**Potential Funding Sources:**

- Parking Bond Funds
- Parking Retained Earnings

**Additional Potential Sites**

The following properties were analyzed in the Alternatives Analysis component of the Walker Parking Study. These properties may be considered as potential joint or sole development opportunities. The funding sources would be contingent upon the type of transaction and negotiations:

1. 226-87<sup>th</sup> Terrace) (former Driver License Station/Dezerland Use)
2. Vacant North Lot of Altos Del Mar West; 86<sup>th</sup> to 87<sup>th</sup> Street between Collins and Harding Avenues
3. Vacant South Lot of Altos Del Mar West; 79<sup>th</sup> to 80<sup>th</sup> Streets between Collins and Harding Avenues
4. North of 71st Street between Byron Ave. & Abbott Court (Town Center Site 1)

5. South of 71<sup>st</sup> Street between Byron Ave. & Abbott Ave. (Town Center Site 2- Byron Carlyle lot and City National Bank)
6. North of 71<sup>st</sup> Street between Harding Ave. & Collins Ave. (Town Center Site 3)
7. North of 74<sup>th</sup> Street between Harding Ave. & Collins Ave. (Town Center Site 4)
8. South of 71<sup>st</sup> Street between Abbott Ave. & Harding Ave. (Town Center Site 5- CMB lot and City National Bank)
9. North of 71<sup>st</sup> Street between Harding Court & Harding Ave. (Town Center Site 6)
10. 1960 Normandy Drive
11. 2124 Verdun Drive
12. 1760-71 Street
13. 1025, 1047, 1053, 1101, 1109-71 Street, and 946 Normandy Drive (Wasserstein - Washington Mutual Drive-thru and Existing Municipal Lot).
14. 1144 Marseilles Drive - Swayze Lot
15. 6850 Bay Drive
16. 6396 Collins Avenue (6382 & 6372)
17. 6615 and 6625 Indian Creek Drive
18. 6600 Collins Avenue (Motel 8 formerly known as Rowe Property)
19. 4621 Collins Avenue (46<sup>th</sup> Street and Collins Avenue Municipal Lot)
20. 23<sup>rd</sup> Street between Liberty and Collins Avenue (Rooney Palace Lot)
21. 1668, 1670, and 1676 Collins Avenue (James Lot between Lincoln Road and 17<sup>th</sup> Street)
22. City Hall Expansion
23. Preferred Parking Lot
24. TOPA Lot
25. 17<sup>th</sup> Street Surface Lots
26. SunTrust Lot (Ucello) and City Municipal Lot (10A)
27. Cejas Lot, 16<sup>th</sup> Street and Drexel
28. 1231, 1251-17<sup>th</sup> Street (Housing Authority Lot)
29. 1833-37 Bay Road (Miller-Rosenthal Lot)
30. 13<sup>th</sup> & Collins Municipal Lot
31. Potamkin Lot, 5<sup>th</sup> to 6<sup>th</sup> Streets between Alton and Lenox
32. Portofino Lot, South Pointe Dr. to Commerce between Washington Ave and Alton Road
33. Pier Park Municipal Lot (1A)
34. Portofino Lots, South Pointe Drive to First Street between Collins Avenue and Ocean Drive
35. 30<sup>th</sup> Street and Collins (Palms Lot)

### **Conclusion:**

It is essential for the City to have a Capital and Funding Alternative Plan in place for its Parking System's future growth and viability. The aforementioned projects and/or issues represent almost \$43.6M of the current issues needing direction and prioritization. These projects and/or issues were derived from the need to have a contingency fund for the Parking System in case of an emergency or economic downturn; establish a preventive maintenance fund for the City's current and future capital investments; implement an O&M (operating and maintenance) reserve account equivalent to two (2) months of operating expenses of the parking system operating budget (\$2.5M); various potential [City] or joint

December 14, 2004

**PARKING SYSTEM CAPITAL PLAN AND FUNDING ALTERNATIVES**

Page 9 of 9

venture parking projects that are currently in various stages of development; including recommendations from the Walker Parking Demand Study.

Attached is a matrix of the aforementioned projects and recommended available funding sources for parking projects as well as transportation related projects. As a reminder, various funding sources have restrictions regarding their use. It should be noted that the City's Planning Department, Economic Development, CIP Department, and Parking Department were instrumental in providing a vast array of information required to complete this component of the study. Due to the extensive nature of data included in the study, staff is available to meet and brief the City Commissioners individually, as requested.

JMG/CMC/SF &

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City of Miami Beach  
Parking System Funding Alternatives

Funding Sources and Amount Available													
	Proposed Projects	Funds already encumbered in current or past years(s)	Parking System Retained Earnings	Parking System Renewal and Replacement Fund	Parking Revenue Bond Fund	Parking Impact Fees	Federal Transit Agency (FTA)	Redevelopment Agency (RDA)	Convention Development Tax (CDT)	Resort Tax	7th Street Garage Parking Fund	Total Funding Requested	Comments
	Total Project Funding		\$31,912,898	\$16,925,175	\$8,516,662	\$9,561,266	\$6,475,605	\$13,907,295	\$400,000	\$726,264	\$389,583	\$88,814,748	Balances as of 10/01/04
		\$0	\$2,310,000									\$2,310,000	Emergency Reserve of 11% consistent with General Fund reserve for emergencies.
	Emergency Reserve	\$0	\$2,500,000									\$2,500,000	Operating Reserve = 2 of 12 months(\$15M) annual expense
	Operating Reserve												First year of funding approved. Funds will be used to provide surface lot drainage upgrades, asphalt resurfacing, concrete restoration, ADA compliance, and electrical upgrades. Parking Garage work includes: water proofing, expansion joint restoration, spalling repairs, engineering studies, and general maintenance.
1	Garage/Lot Refurbishment Program	\$3,155,030		\$2,129,428				\$679,881			\$189,583	\$2,998,872	
													First year of funding approved. Funds to be used to purchase 250 multi-space pay stations for phase III and IV.
2	Multi-Space Pay Stations Phase II	\$0		\$2,400,000								\$2,400,000	
													First year of funding approved. To be used in three Garages (12th, 17th, and 42nd Street)
3	POF (Pay on Foot/Revenue Control) Upgrades	\$0		\$1,000,000							\$200,000	\$1,200,000	
		\$475,200			\$124,800			\$739,240	\$400,000	\$726,264		\$1,990,304	First year of funding approved. Parking System's contribution to Citywide Way Finding program.
4	Citywide Way Finding Signage Program												Technology enhancement to monitor turn over and parking utilization.
		\$0			\$200,000							\$200,000	First year of funding approved. Funds to be used to purchase digital CCTV systems with Internet capabilities throughout all garages.
5	VIN (Vehicle Identification Network) Program												Development Agreement approved. Garage size and exact funding amount required to be determined in March 2005.
		\$80,000			\$400,000							\$400,000	On-going negotiations .
6	CCTV (Closed Circuit Television) for Garages												Lot Reconstruction as called for by the Collins Park Master Plan.
					\$2,936,992	\$9,561,266						\$12,498,258	
7	City Hall Expansion Garage	\$261,971										\$8,875,125	
												\$3,024,395	
8	New World Symphony (NWS) Garage	\$0						\$8,875,125				\$8,875,125	
9	CMB/Polamkin Joint Venture	\$0					\$6,475,605 (1)	\$3,024,395				\$3,024,395	
								\$588,674				\$588,674	
10	Collins Park/21st Street & Collins Parking Lot												
	Subtotal:	\$3,992,201	\$4,810,000	\$5,529,428	\$3,661,792	\$9,561,266	\$6,475,605	\$13,907,295	\$400,000	\$726,264	\$389,583	\$45,461,233	
	Funding Available for Other Projects	N/A	\$27,102,898	\$11,395,747	\$4,854,870	\$0	\$0	\$0	\$0	\$0	\$0	\$43,353,515	

City of Miami Beach  
Parking Department  
Walker Study Alternative Analysis

	Potential Sites	City/Private Owned	Comments
1	226-87 th Terrace (former Driver License Station/Dezerland Use)	CO	DEVELOPMENT INCENTIVE PROPERTY
2	Vacant Lot North of Altos Del Mar West; 86th to 87th Street between Collins and Harding Avenues	CO	DEVELOPMENT INCENTIVE PROPERTY
3	South Lot of Altos Del Mar West; 79th to 80th Streets between Collins and Harding Avenues	CO	DEVELOPMENT INCENTIVE PROPERTY
4	1960 Normandy Drive	PO	POTENTIAL SURFACE LOTS IN CONGESTED RESIDENTIAL AREA
5	2124 Verdun Drive	PO	POTENTIAL SURFACE LOTS IN CONGESTED RESIDENTIAL AREA
6	1760-71 Street	PO	POTENTIAL SURFACE LOTS IN CONGESTED RESIDENTIAL AREA
7	<b>1025, 1047, 1053, 1101, 1109-71 Street, and 946 Normandy Drive (Wasserstein-Washington Mutual Drive-thru and Existing Municipal Lot)</b>	City/Private Owned	<b>POTENTIAL JOINT VENTURE DEVELOPMENT SITE IN NORTH BEACH TOWN CENTER</b>
8	<b>1144 Marselles Drive-Sweyze Lot</b>	PO	<b>POTENTIAL SURFACE LOTS IN CONGESTED RESIDENTIAL AREA</b>
9	6850 Bay Drive	PO	POTENTIAL SURFACE LOTS IN CONGESTED RESIDENTIAL AREA
10	6396 Collins Avenue (6382 & 6372)	PO	CURRENTLY BEING DEVELOPED
11	6615 and 6625 Indian Creek Drive	PO	CURRENTLY BEING DEVELOPED
12	<b>6600 Collins Avenue (Motel 8 formerly known as Rowe Property)</b>	PO	<b>CURRENTLY NOT AVAILABLE - POTENTIAL FUTURE SITE.</b>
13	4621 Collins Avenue (46th Street and Collins Avenue Municipal Lot)	CO	BEACH FRONT PROPERTY - VERTICAL DEVELOPMENT REQUIRED.
14	<b>23rd Street between Liberty and Collins Avenue (Roney Palace Lot)</b>	PO	<b>Development Agreement approved. Garage size and exact funding amount required to be determined in March 2005.</b>
15	1668, 1670, and 1676 Collins Avenue (James Lot between Lincoln Road and 17th Street)	PO	POTENTIAL DEVELOPMENT SITE WITH EXCESS PUBLIC PARKING (JOINT VENTURE).
16	City Hall Expansion	CO	INCLUDED IN CAPITAL PROGRAM
17	Preferred Parking Lot	CO	CONVENTION CENTER EXPANSION PLAN
18	TOPA Lot	CO	CONVENTION CENTER EXPANSION PLAN
19	17th Street Surface Lots	CO	NEW WORLD SYMPHONY
20	<b>SunTrust Lot (Ucello) and City Municipal Lot (10A)</b>	City/Private Owned	<b>POTENTIAL JOINT VENTURE DEVELOPMENT SITE.</b>
21	Cejas Lot, 16th Street and Drexel	PO	PRIVATE DEVELOPMENT
22	<b>1231, 1251-17th Street (Housing Authority Lot)</b>	<b>HOUSING AUTHORITY</b>	<b>POTENTIAL LAND SWAP FOR MUNICIPAL LOT 4D</b>

City of Miami Beach  
Parking Department  
Walker Study Alternative Analysis

<b>23</b>	<b>1833-37 Bay Road (Miller-Rosenthal Lot)</b>	<b>City/Privately Owned</b>	<b>LAND ACQUISITION UNDERWAY</b>
<b>24</b>	<b>13th &amp; Collins Municipal Lot</b>	<b>CO</b>	<b>POTENTIAL CITY DEVELOPMENT SITE</b>
<b>25</b>	Potamkin Lot, 5th to 6th Streets between Alton and Lenox	PO	INCLUDED IN CAPITAL PROGRAM
<b>26</b>	Portofino Lot, South Pointe Dr. to Commerce between Washington Ave and Alton Road	PO	PRIVATE DEVELOPMENT
<b>27</b>	<b>Pier Park Municipal Lot (1A)</b>	<b>CO</b>	<b>SOLE OR JOINT VENTURE DEVELOPMENT SITE</b>
<b>28</b>	Portofino Lots, South Pointe Drive to First Street between Collins Avenue and Ocean Drive	PO	PRIVATE DEVELOPMENT
<b>29</b>	<b>30th Street and Collins (Palms Lot)</b>	<b>PO</b>	<b>POTENTIAL JOINT VENTURE DEVELOPMENT SITE.</b>
<b>30</b>	City National Bank Site (71st street and Byron) WEST Location	City/Privately Owned	POTENTIAL JOINT VENTURE DEVELOPMENT SITE IN NORTH BEACH TOWN CENTER
<b>31</b>	City National Bank Site (71st street between Abbott and Harding) - EAST Location	City/Privately Owned	POTENTIAL JOINT VENTURE DEVELOPMENT SITE IN NORTH BEACH TOWN CENTER

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**CITY OF MIAMI BEACH**  
**Office of the City Manager**  
**Interoffice Memorandum**



**To:** Finance and Citywide Projects Committee

**Date:** December 10, 2004

**From:** Jorge M. Gonzalez  
City Manager

**Subject:** **SHANE WATERSPORTS CENTER**

On May 15, 2004, the Finance and Citywide Projects Committee discussed the attached referral item as it relates to the development and use of the parking lot and associated landscaping improvements adjacent to the Shane Watersports Center ("Shane"). The subject parking lot is not part of the leasehold encumbered by that certain Second Amended and Related/Consolidated Lease Agreement with Miami Beach Watersports Center, Inc. as lessee, for the City-owned property located at 6500 Indian Creek Drive, Miami Beach, Florida.

The Committee instructed the Administration to research the options available in regards to the parking situation at the Shane Watersports Center and to discuss alternatives regarding the landscaping improvements with representatives from the Center.

As a result, the parties have met on several occasions and have evaluated four (4) alternative options as follows:

- Option 1:** City improves the parking lot and Shane has use of trailer lane and purchases hang tags for its users.
- Option 2:** City and Shane would split cost of the improvements and the use of parking lot
- Option 3:** Shane pays for the parking lot improvements in exchange for Shane's right to use the parking lot at no additional cost.
- Option 4:** City improves parking lot and Shane manages the parking lot and guarantees the City a minimum annual repayment to the City for the cost of lot improvements, plus any net income generated at the parking lot.

Shane's preference is to pursue Option 4, whereby they would manage the lot and repay the City over the term of a proposed Management Agreement. However, based on the new estimated cost of improvements, Shane has indicated that they can only guarantee a minimum annual contribution of \$10,000, plus any net income generated after deducting costs of managing and operating the parking lot.

**Cost of Parking Lot Improvements:**

The parking lot improvements and landscaping requirements are estimated at a cost of approximately \$208,000. This price includes the asphalt, concrete curbing, curb and gutters, new planters, bio-barrier for the planters, irrigation and all the landscaping with out the palms north of the Building (which fall outside the parking lot boundaries).

Based on the proposal made by Shane listed above, at an annual minimum guarantee of \$10,000 the City's investment would be reimbursed over a 20 year period if no net income is derived on the lot. The Shane Watersports Center feels it can maximize the public use of the lot when not being utilized by the facility users.

**Legal mechanism to effectuate Management Agreement:**

The current parking lot is a metered lot which, although primarily used by visitors to the Shane Watersports Center, is currently still available for public use and access. Under Option 4, Shane has agreed to still make the parking lot available for public use, when not utilized by the facility users.

If the City Commission wishes to pursue Option 4, it would be recommended that a Management Agreement for a term concurrent with the current Shane Lease term be negotiated, including a termination for convenience, upon 30 days' notice, provision. Under the concession agreement scenario, Shane would manage and operate the lot for the City, subject to the terms and conditions to be negotiated (indemnity, insurance, costs /type of lot improvements, etc.). Shane has agreed that, to the extent that the spaces are not used by Shane, the spaces would still be available for public use at established City rates. Further discussion on public access may need to be incorporated into the agreement. Again, a concession agreement would have to be terminable at the City's discretion.

If pursuing the Management Agreement is the recommended option, then the parking lot improvements should not be funded through parking bond funds so as to avoid any private activity trigger.

**Conclusion:**

The Committee should evaluate the four (4) options described above and evaluate the Shane's request to pursue Option 4, and direct the Administration to negotiate an agreement accordingly.

JMG/CMC/rar

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# CITY OF MIAMI BEACH

CITY HALL 1700 CONVENTION CENTER DRIVE MIAMI BEACH, FLORIDA 33139  
www.ci.miami-beach.fl.us



## COMMISSION MEMORANDUM

To: Mayor David Dermer and  
Members of the City Commission

Date: April 14, 2004

From: Jorge M. Gonzalez  
City Manager

Subject: **A REFERRAL TO THE FINANCE AND CITYWIDE PROJECTS COMMITTEE FOR REVIEW AND DISCUSSION THE DEVELOPMENT AND USE OF THE PARKING LOT AND ASSOCIATED LANDSCAPING IMPROVEMENTS ADJACENT TO THE SHANE WATERSPORTS CENTER AS IT RELATES TO THAT CERTAIN SECOND AMENDED AND RESTATED/CONSOLIDATED LEASE AGREEMENT WITH MIAMI BEACH WATERSPORTS CENTER, INC., AS LESSEE, FOR THE CITY-OWNED PROPERTY LOCATED AT 6500 INDIAN CREEK DRIVE, MIAMI BEACH, FLORIDA**

### ADMINISTRATION RECOMMENDATION

Refer the matter.

### ANALYSIS

On December 14, 1988, the City of Miami Beach (City) and the Miami Beach Jewish Community Center (JCC) entered into a Lease Agreement for the JCC's use of the City-owned property, with parking lot facilities, located at 6500 Indian Creek Drive (Parcel A) for the development of a rowing facility, at the JCC's sole cost and expense. The property is currently zoned as "GU" (Government Use) and is designated as Parking ("P") in the Future Land Use Map of the City's Comprehensive Plan.

In November of 1989, the City and the JCC entered into a First Amendment to the Lease Agreement that had the effect of enlarging the leased premises on Parcel A. On February 20, 1991, the Mayor and City Commission adopted Resolution No. 91-20246, whereby it agreed to appropriate and disburse a matching contribution, in the amount of \$225,000.00, toward construction of additional improvements for the rowing facility on Parcel A.

On November 20, 1991, the City and the JCC entered into an Amended and Restated Lease Agreement primarily for the purpose of extending the term of the Lease and making other changes relative to securing the City's matching contribution toward the timely construction of improvements at the rowing facility. The Amended and Restated Lease Agreement provided for an initial term of twenty (20) years, having commenced on May 22, 1991, and terminating on May 21, 2011. Provided the Lease is not otherwise in default, the Lease is renewable for one additional term of ten (10) years.

On April 17, 1996, the Mayor and City Commission adopted Resolution No. 96-21955, approving an Assignment of Lease, assigning all interest in the Amended and Restated Lease Agreement from the JCC to Miami Beach Watersports Center, Inc. (MBWC).

Agenda Item C48

Date 4-14-04

Over past several years, MBWC approached the City with its intent to commence, at its sole cost and expense (including the funding allocated by the City Commission to replace the \$300,000 G.O. Bond allocation) extensive capital improvements to the existing building on the leased premises on Parcel A, consisting of a second story to be used primarily as meeting and conference space, as well as a proposal to lease and make capital improvements, consisting of the construction of a dry dock facility (to house the rowing sculls), on an additional parcel of land adjacent to Parcel A which is referred to herein as Parcel B and which has been utilized over the past 10 years for temporary boat storage facilities by the watersports center.

Accordingly, MBWC also requested to exercise the additional ten (10) year option for Parcel A, and for the City to approve a new Lease Agreement to include Parcel B; said term to run concurrent with the full term on the Amended and Restated Lease Agreement until May 21, 2021. To that end, on July 10, 2002, the Mayor and City Commission adopted Resolution No. 2002-24922 approving a Second Amended and Restated/Consolidated Lease Agreement between the City, and MBWC. Said Second Amended and Restated/Consolidated Lease Agreement served to consolidate, in one document, the terms and conditions, as well as the proposed improvements, to the existing facility on Parcel A (the premises currently governed under the Amended and Restated Lease Agreement, dated November 20, 1991), and the new premises on Parcel B, on which MBWC contemplated additional proposed improvements (the dry dock facility).

As part of the Second Amended and Restated/Consolidated Lease Agreement, MBWC has initiated construction of additional improvements to the buildings and improvements presently located on Parcel A and Parcel B, valued collectively at no less than One Million (\$1,000,000) Dollars, such amount to include a minimum of Seven Hundred Thousand (\$700,000) Dollars, to be provided by MBW, and Three Hundred Thousand (\$300,000) Dollars, which is the amount appropriated by the City, via Resolution No. 2000-24016, dated July 26, 2000, to be used toward the proposed improvements. The proposed improvements are being constructed on Parcel A and Parcel B, and are not inconsistent with the plans presented by MBWC to the City, and as approved by the Planning Board May 28, 2002 and the Design Review Board on July 11, 2001 and June 18, 2002.

The Second Amended and Restated/Consolidated Lease Agreement also includes provisions in Article IV to ensure that the general public continues to have access to the facility, with City review of rates and programming, and mandates that MBWC continue to develop, provide and enhance annual educational programming for the residents for Miami Beach. The Second Amended and Restated/Consolidated Lease Agreement also includes additional lease clauses to ensure the City's interests are protected.

MBWC has completed construction of the dry dock facility on Parcel B, and is well underway on the construction of second story improvements on Parcel A. In light of the pending completion of the aforementioned improvements, MBWC has approached the City with regard to the future use and operation of said parking lot and the improvement of the municipal parking lot and associated landscaping. These are the two issues recommended to be referred to the Finance and Citywide Projects Committee.

### Future Use and Operation of Parking Lot

Due to the operational requirements of the rowing center, especially during certain MBWC sponsored events, which require accommodation of extra-long trailers used to transport the rowing sculls, traditional parking meters often hinder or limit the use of the parking area. As such, MBWC has requested that currently available "Parkeon" technology (multi-space pay stations by SchlumbergerSema) currently being integrated into the City's parking system be used in the subject parking lot. Moreover, due to the normal daily users of the center, which in many instances are local school aged youth, MBWC has requested that the City consider an alternative and/or reduced parking rate or methodology, to facilitate the use of the center for these users.

Additionally, the MBWC has advised as part of their ongoing programming, the aforementioned MBWC sponsored events continue to increase, including training of major national and international rowing teams (including the University of Miami). These events require the extensive use of the parking areas, especially during certain times of the year, specifically the months of January and March, to accommodate both the parking and turnaround of the extra-long trailers and rowing sculls. As such, MBWC has also cited this as a reason for which they are seeking the City's consideration with regards to minimizing the impact of any parking fees associated with the use of the parking lot.

### Landscaping Improvements

MBWC has also requested that the City participate with the landscaping and improvements to the parking lot, in order to alleviate the impact to their construction budget which has exceeded that which was initially anticipated due to certain unexpected regulatory requirements. As stated above, on July 26, 2000, the Mayor and City Commission adopted Resolution No. 2000-24016, appropriating \$300,000<sup>1</sup> from the General Fund Undesignated Fund Balance to assist in funding of improvements, including landscaping within the public parking area. The estimated cost of the landscaping is \$58,000.

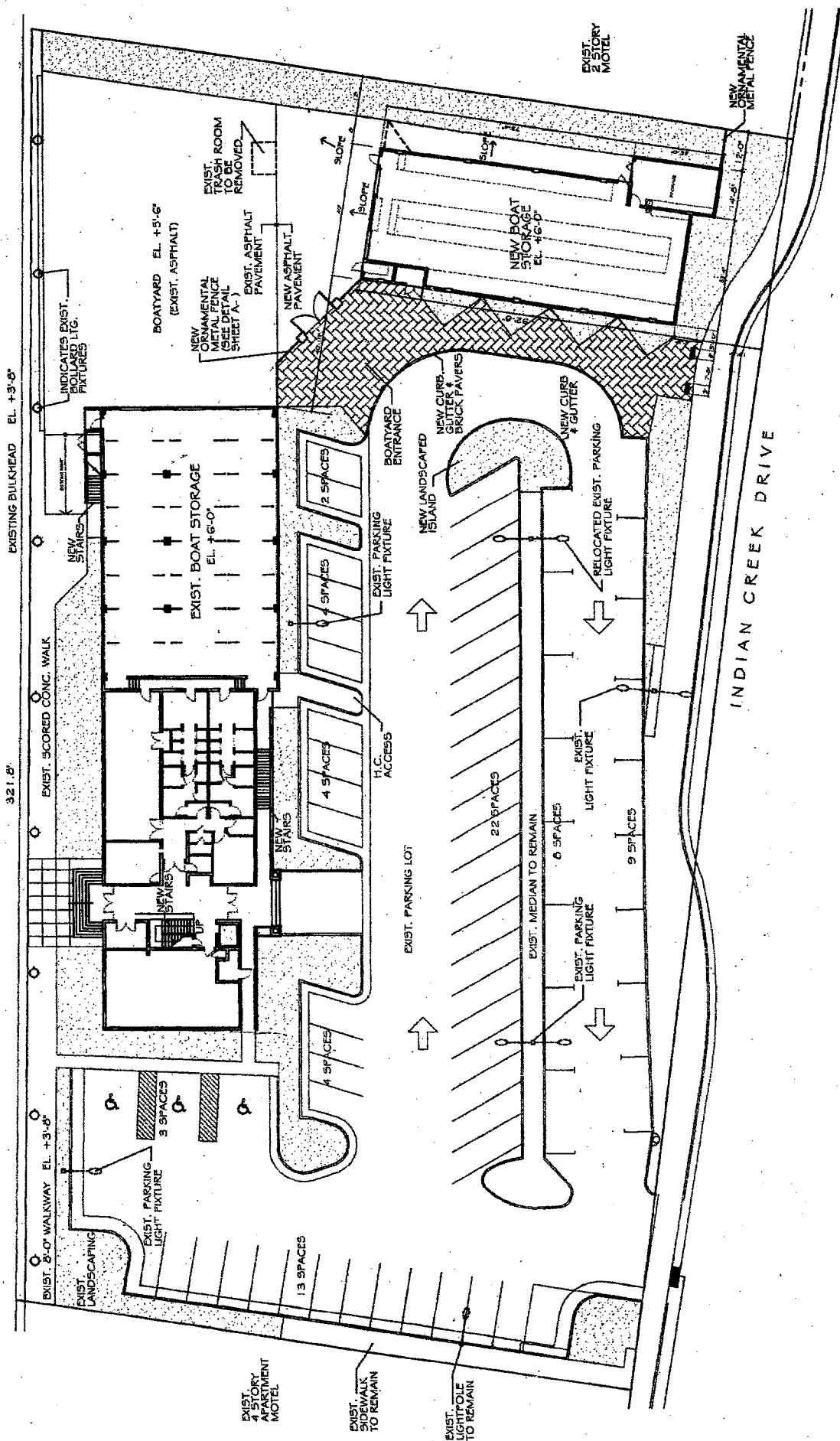
### Conclusion

Based on the foregoing, the Administration recommends that the Mayor and City Commission refer the matter to the Finance and Citywide Projects Committee, for their review and recommendation from a policy perspective, with regard to the improvements to the parking lot and associated landscaping, as well as the future use and operations thereof.

JMG\CMC\JD\lr  
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<sup>1</sup> To substitute the originally approved funding of \$300,000 included in the General Obligation Bond project list approved by the Mayor and City Commission and authorized by the electorate on November 2, 1999.



SITE PLAN  
3/32" = 1'-0"

**RESOLUTION NO. 2000-24016**

**A RESOLUTION OF THE MAYOR AND CITY  
COMMISSION OF THE CITY OF MIAMI BEACH,  
FLORIDA, APPROPRIATING \$300,000 TO THE SHANE  
WATERSPORTS CENTER FROM UNDESIGNATED FUND  
BALANCE OF THE GENERAL FUND**

**WHEREAS**, funding of \$300,000 for improvements to the Shane Watersports Center was originally included in the General Obligation Bonds project list as approved by the Mayor and City Commission and authorized by the electorate on November 2, 1999; and

**WHEREAS**, the Shane Watersports Center is owned by the City but operated under a long-term lease with the Miami Beach Watersports Center, Inc., therefore making it ineligible to receive General Obligation Bond funds; and

**WHEREAS**, these funds were programmed for the expansion of the conference/community room on the south side of the building, enlarging the boat storage area and beautifying the parking lot area; and

**WHEREAS**, it is recommended that the City substitute \$300,000 from the General Fund undesignated fund balance for the previously committed General Obligation Bond funds;

**WHEREAS**, this item was reviewed by the Finance & Citywide Projects Committee at their of June 6, 2000;

**WHEREAS**, they approved the substitution of funds and recommended that the Mayor and City Commission approve the appropriation of \$300,000 from the General Fund Undesignated Fund Balance.

**NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY  
COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA**, that \$300,000 be appropriated to the Shane Watersports Center from the Undesignated Fund Balance of the General Fund.

**PASSED AND ADOPTED THIS** 26th **DAY OF** July 2000.



Mayor

Attest:

  
City Clerk

**APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION**

  
City Attorney

7-21-00  
Date

# CITY OF MIAMI BEACH

1700 CONVENTION CENTER DRIVE, MIAMI BEACH FL 33139-1824  
http://ci.miami-beach.fl.us



COMMISSION MEMORANDUM NO. 595-00

TO: Mayor Neisen O. Kasdin and  
Members of the City Commission

DATE: July 26, 2000

FROM: Lawrence A. Levy  
City Manager

SUBJECT: A RESOLUTION OF THE MAYOR AND CITY COMMISSION  
APPROPRIATING \$300,000 TO THE SHANE WATERSPORTS  
CENTER FROM UNDESIGNATED FUND BALANCE OF THE  
GENERAL FUND

## ADMINISTRATION RECOMMENDATION

Adopt the Resolution.

## ANALYSIS

Funding of \$300,000 for improvements to the Shane Watersports Center was originally included in the General Obligation Bonds project list as approved by the Mayor and City Commission and authorized by the electorate on November 2, 1999. The Shane Watersports Center is owned by the City but operated under a long-term lease with the Miami Beach Watersports Center, Inc. therefore, making it ineligible to receive General Obligation Bond funds. These funds were programmed for the expansion of the conference/community room on the south side of the building, enlarging the boat storage area and beautifying the parking lot area. As a result, it is recommended that the City substitute \$300,000 from the General Fund undesignated fund balance for the previously committed General Obligation Bond funds.

This item was reviewed by the Finance & Citywide Projects Committee at their meeting of June 6, 2000. They approved the substitution of funds and recommended that the full Commission approve the appropriation of \$300,000 from the General Fund Undesignated Fund Balance.

AGENDA ITEM C70

DATE 7-26-00

LAL:PDW:ge



c: Mayor and Members of the City Commission  
Murray Dubbin, City Attorney  
Christina M. Cuervo, Assistant City Manager  
Robert Middaugh, Assistant City Manager  
Donald Papy, Chief Deputy City Attorney  
Donald De Lucca, Police Chief  
Floyd Jordan, Fire Chief  
Jean Olin, Deputy City Attorney  
Fred Beckmann, Public Works Director  
Mayra Diaz Buttacavoli, Human Resources and Risk Management Director  
Raul Aguila, First Assistant City Attorney  
Phil Azan, Building Director  
Kathie Brooks, Budget and Performance Improvement Director  
Kelli Cohen, First Assistant City Attorney  
Saul Frances, Parking Director  
Jorge Gomez, Planning Director  
Vivian Guzman, Neighborhood Services Director  
Rhonda M. Hasan, First Assistant City Attorney  
Gary Held, First Assistant City Attorney  
Tim Hemstreet, CIP Director  
Robert Parcher, City Clerk  
Sheri Sack, First Assistant City Attorney  
Kevin Smith, Parks and Recreation Director  
Debbie Turner, First Assistant City Attorney  
Judith Weinstein, First Assistant City Attorney  
Gladys Acosta, Information Technology Division Director  
Georgina P. Echert, Assistant Finance Director  
Max Sklar, Cultural Affairs & Tourism Development Director  
Michael Alvarez, Assistant Director of Public Works  
Diane Camber, Bass Museum Director  
Jose Cruz, Budget Officer  
Robert T. Halfhill, Assistant Director of Public Works  
Ramiro Inguanzo, Chief of Staff  
Gus Lopez, Procurement Division Director  
Nannette Rodriguez, Public Information Coordinator  
Ronnie Singer, Community Information Manager  
James Sutter, Internal Auditor  
Linda Gonzalez, Labor Relations Division Director  
Kevin Crowder, Economic Development Division Director  
Judy Hoanshelt, Grants Manager  
Amelia Johnson, Transportation Coordinator